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PROCEEDINGS
OF THE
FIRST
National Silver Convention

HELD AT
ST. LOUIS,
NOVEMBER 26, 27 AND 28, 1889.

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1889.



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THE RESOLUTIONS.

THE NATIONAL SILVER CONVENTION, held in St. Louis, Mo., November 26, 27 and 28, 1889, adopt this Preamble and Resolution as their deliberate opinions:

That the demonetization of silver worked a practical violation of every contract then existing in the United States; entailed uncounted losses; reduced prices more than 30 per cent, and its effect is practically to make debts perpetual, as it takes from the debtor ability to pay; that it causes contraction in the currency, which reduces values, until there is no profit left to the farmer, planter, or men of small capital who depend upon the sale of their products for returns for their labor.

That we believe the certificates of the Government, backed dollar for dollar by gold and silver coin on deposit in the Treasury of the United States, is a safe and sound currency, and has been approved by the people.

That, considering the contraction caused by the surrender of national bank notes during the past three years, and the vast sums that must be collected by the cancellation of Government bonds during the next three years, the necessity of restoring silver is as manifest as is the justice of such a policy.

That the gold and silver of the West, pouring in a steady stream upon the East for forty years, vitalized every form of business there, steadied and upheld the credit of the nation through the great war and made resumption possible, and that what we now demand is as much more to the interest of the East than of the West as the productions of the East exceed in value the productions of the West.

That we believe in equal rights for gold and silver and free coinage for both, and that no nation ever had, or ever will have, too much gold and silver coin.

NOW, THEREFORE, BE IT RESOLVED, That the Fifty-first Congress be requested by this Convention to provide, at its first session, for opening the mints of the United States to the free and unlimited coinage of standard silver dollars, of the present weight and fineness, to be a legal tender for all debts, public and private, equally with gold, and that, until such provision is made, the Secretary of the Treasury be required to coin the maximum of \$4,000,000 worth of silver per month, as now authorized by law.

PREFACE.

The holding of a National Silver Convention, such as was called to assemble in St. Louis, on November 26, 1889, was a matter of somewhat doubtful outcome, when it was undertaken by its promoters. It was the first really National Silver Convention ever held or ever attempted, in this country, and there was no basis of calculation as to what it would be. Under the circumstances it was expected that it would at least pave the way for a second Convention, which would be the means of accomplishing, in fact, all that was desired.

The highest expectations were, however, more than fulfilled. The Convention was a most gratifying success. As will be seen by the official proceedings following, it attracted delegates, who, to attend, had to pay their own expenses, from all parts of the country, and from nearly all of the States and Territories. It was as truly national as any Convention ever held in the United States. Its delegates were gentlemen of conviction, men who represented something tangible, men of influence, and men earnestly engaged in the work in hand.

That they did their work fully and perfectly; that they recognize the one great question as of such paramount importance that it could not be weakened by the consideration of any side issues, was indeed gratifying to those interested in the work of the Convention, and to those who called it together.

The promoters of the First National Silver Convention, and the delegates generally to the Convention, recognize the silver question as one of the highest importance to the people of the United States, but yet one about which there is but scant public knowledge. If the publication of these proceedings serves to educate the masses interested, even to the slightest degree, the desired end will have been accomplished.



THE PROCEEDINGS.

FIRST DAY — TUESDAY.

The Convention was called to order by Mr. James Campbell, Chairman of the St. Louis Executive Committee and of the Call and Address Committee. Mr. Campbell said:

GENTLEMEN OF THE CONVENTION—On behalf of the Executive Committee, I now take pleasure in calling you to order. But, before suggesting the name of the Temporary Chairman and Secretary, it is due the men who have performed the labor, and who have been so systematic and painstaking in every detail necessary to make our first National Silver Convention a success, that they should have the credit for their efforts in the records of the proceedings of the Convention.

And, in order that the future historian may have original facts in detailing how it was originated, I will state that the gentlemen of the St. Louis Mining Stock Exchange, at the instance of Mr. E. A. Elliott, formerly City Editor of the *Globe-Democrat*, but now the Mining Editor of the *Post-Dispatch*, and Chairman of our Press Committee, concluded to test the sentiment of the country on the question of free coinage, and

*The Beginning
of the
Movement.*

of the rehabilitation of silver. The responses were so earnest, from all parts of the United States in favor of some united effort being made to free silver from its bondage that it insured at once the success of the movement for a Convention. With the aid and counsel of such men as L. M. Rumsey, C. D. McLure, John T. Field, Albert Singer (Secretary of the St. Louis Mining Stock Exchange), Hon. R. P. Bland of Missouri, J. M. S. Egan, of Colorado, and Ivan C. Michels, of Washington, D. C., we have been able to feel that the preparatory work has been well done. I will also state that, while Mr. J. D. Abeles, President, and Mr. Joe J. Mullally, Vice President of the Mining Stock Exchange, do not appear conspicuously upon all the stationery and literature emanating from the committee, yet they have been very important and indispensable factors in all the preparatory work leading up to the Convention, as well as in preparing the way for rounds of pleasure for the delegates during their stay here. Messrs. Max Kotany, Henry W. Wernse, W. C. Little and J. E. Mulford are also entitled to a much more conspicuous place in your records than can, in the nature of things, be awarded them for the intelligent direction they gave the committees of which they are the respective heads.

The members of the Executive Committee are also greatly indebted to the press of the city for the assistance they have received in the liberal use of their columns, and, while they are not all in full accord with our sentiments, they are a unit upon the proposition that every Convention and Fair should be held in St. Louis. The *Post-Dispatch* not only gave us the use of its columns, but the valuable services of one of its mining editors, and they were magnanimous enough to deny themselves of many a "scoop" they could have had by virtue of his position. Mr. Elliott seems to have appreciated the fact that, while he was the dynamo, his paper was the power that put him in motion

and generated the electric current that gave the Convention life. Mr. Albert Singer, our Secretary (and of the banking house of Kohn & Co.), performed well all of the duties of President and Secretary of the Executive Committee, and is entitled to the twin honor. I will now introduce to you, your Temporary Chairman, Mr. L. M. Rumsey, and Temporary Secretary, Mr. Albert Singer.

As Mr. Rumsey stepped to the stand he was greeted with warm applause from the delegates assembled. Taking the chair, he said:

GENTLEMEN OF THE NATIONAL SILVER CONVENTION—
It would be useless for me to attempt to express how much I appreciate the honor of being called to preside, even temporarily, over your convocation. The “call” by which you are officially brought together fully sets forth the objects to be compassed by your assemblage, so that there need not be any attempt made by me
Temporary
Chairman to restate the purposes of this meeting, nor
L. M. Rumsey. to urge upon you the vital importance to the country and to the world which attach to your deliberations.

It is fair to presume that there is not a single delegate present who does not feel the weighty responsibility resting upon them individually, as representatives to this Convention, for upon the results of this assembly will depend largely the degree of prosperity our country will enjoy in the immediate future.

You are not a law-making body, it is true; but as all laws are the result of the popular will, and as you have been almost as popularly sent to represent the people of this United States as are the members of Congress sent to voice the will of the people in Washington, it follows that the Congress of the United States may find

through your deliberations and conclusions, that as you are the latest representatives from the people upon the question of the silver coinage laws, that they must obey the will of the people of the United States, and enact the laws—your body cannot enact—which will give to the people of the United States the privilege of coining their silver as freely as they coin their gold.

Influence of the Convention. The gentlemen who will address you upon the vital questions to be discussed during this Convention will make clear as noonday the necessity for the free and unlimited coinage of silver, so that no person in the United States who can read need be ignorant of the untold advantages such a law would give to this country, and also, incidentally, to the entire world.

In so large an assemblage, it would be strange if there were not those who have some pet hobby, no doubt very excellent and desirable in some other Convention; but the time for the discussion of this monetary question is so brief that it is hoped no extraneous subjects will be attempted to be pushed upon the attention of this convention. [Loud and continued applause.]

I presume, gentlemen, the first business before this Convention, after the addresses of welcome to be made, will be the appointment of Committees on Credentials, and Permanent Organization. I will be glad if the delegates from the several States and Territories would have their committeemen selected and be ready to report, as soon as possible after the addresses are made, and also make nominations for the Committee on Resolutions.

Mr. Vater, of Indiana. Mr. Chairman, I move the appointment of committees as follows: One on *The Committees.* Credentials, one on Permanent Organization and Order of Business, and one on Resolutions, with one member of each from each State and Terri-

tory and the District of Columbia, represented in this Convention, to be selected by the delegates from such States and Territories.

Mr. Kelly, of Kansas. Will the Secretary please read the list of committees?

The Secretary. Credentials, Permanent Organization and Order of Business, and Resolutions.

Mr. Kelly. Mr. Chairman, I move to amend by making the Committee on Order of Business separate.

The Chair. Gentlemen, these motions are out of order until after the addresses of the gentlemen who have been invited to welcome you (cries of "order," and applause). I have now the honor of presenting to you Gov. Francis, of the State of Missouri.

The address of Gov. Francis was warmly received and frequently interrupted by applause. It will be found in the portion of this report devoted to addresses made before the Convention.

At its conclusion Chairman Rumsey announced that Mayor Noonan, who was to have welcomed the delegates to the Convention on the part of the city of St. Louis, was detained at home by illness.

The Chair then had read the motion for the appointment of Committees on Credentials, Order of Business and Permanent Organization, and Resolutions, to consist of one member from each State and Territory and the District of Columbia, to be selected by the delegates from such States and Territories. The resolution was unanimously adopted, and a recess of five minutes taken for the purpose of giving opportunity for the selection of committeemen. When it

was called to order again, Mr. Kelly, of Kansas, moved that the Committee on Permanent Organization and Order of Business, which seemed to be a double one, be divided and made to consist of two instead of one.

*The Question of
Organization.*

A Delegate. Mr. Chairman, I arise to a point of order; that motion can not be made until the action of the Convention is rescinded, and that can only be done on a motion to reconsider.

Mr. Kelly. As we have adopted no strictly parliamentary laws for this body, the shortest way would be to get at it by consent. While I recognize the fact that a motion would not be strictly in order, I ask the indulgence of the Convention to make a motion which will give a wider distribution of that kind of work to the members of this Convention.

The motion to divide the committee was then put and *Selection of Committees.* lost. The call of States being ordered, the following committees were announced.

COMMITTEE ON PERMANENT ORGANIZATION AND ORDER OF BUSINESS:

- Arkansas, Chas. Coffin.
- Arizona, Jno. C. Loss.
- California, D. R. Melliss.
- Colorado, Jas. A. Louthott.
- District of Columbia, Lee Crandall.
- Idaho, Andrew B. Hendricks.
- Indiana, Russell Bennett.
- Illinois, Jas. Hodnett.
- Kansas, J. Butler Rush.
- Kentucky, J. L. Sandford.
- Montana, C. D. McLure.
- Missouri, J. D. Brown.
- Nebraska, H. C. Smith,
- Nevada, C. H. Patchen.
- New Mexico, J. H. Utter.
- New York, Thos. Jordan.
- Ohio, Jas. F. Kilbourn.
- Pennsylvania, H. D. Lowing.

Tennessee, Thos. Tate, Jr.
Texas, Jno. Willett.
Utah, A. J. Norvell.
Virginia, Jno. L. Cochran.
Wyoming, E. Ammorette.

COMMITTEE ON RESOLUTIONS:

Arkansas, B. D. Williams.
Arizona, John C. Loss.
Alabama, A. Irwin.
Colorado, T. B. Buchanan.
California, Frank M. Pixley.
District of Columbia, I. C. Michels.
Idaho, Wm. Hindman.
Indiana, Peter P. Kennedy.
Illinois, G. E. Waite.
Kansas, A. H. McLennan.
Kentucky, W. H. Yost.
Michigan, Ben Colvin.
Montana, W. G. Gallagher.
Missouri, R. P. Bland.
Nebraska, Wm. Wallace.
New Mexico, F. A. Menzanares.
New York, Thos. Jordan.
Nevada, Francis Y. Newland.
Pennsylvania, W. J. Cheeney.
Texas, Chas. Longuemare.
Tennessee, A. J. Kellar.
Utah, C. C. Goodwin.
Virginia, John W. Porter.
Wyoming, T. M. Grant.

COMMITTEE ON CREDENTIALS:

Arkansas, Zeb Ward.
Arizona, John C. Loss.
Alabama, Albert Strassburger.

Colorado, W. J. Kerr.
California, Robert McCeney.
Idaho, F. P. Cavanagh.
Indiana, W. T. Darbin.
Illinois, N. H. Moss.
Kansas, C. H. Kimball.
Kentucky, B. T. Tyler.
Montana, Dr. Musigbrod.
Missouri, Odin Gúitar.
Nebraska, C. W. Burrows.
New Mexico, J. C. Axtell.
New York, S. W. Miller.
Nevada, M. J. Farrell.
Ohio, C. C. Washburn.
Pennsylvania, H. M. Veeder.
Tennessee, Stanley Bell.
Texas, G. B. Stevenson.
Utah, J. J. Daly.
Wyoming, M. M. O'Malley.

The Committees having been announced, Chairman Rumsey stated that some of the Western delegates had been detained by washouts on the railroads, and would be here for the second day's session of the Convention. Among those was the delegation from Oregon.

A Delegate. Mr. Chairman, I now move that the Convention adjourn till three o'clock.

Mr. Kelly, of Kansas. Before the motion is submitted, *The Committee Meetings.* I would like to ask as to the meetings of Committees.

The Chair. Provisions have been made in the Exposition Building for the sessions of the committees, and it is for them to decide as to when they desire to meet.

A Delegate. I think it would be better for the committees to meet immediately in order that they may have their reports ready for the Convention as soon as it reassembles.

The arrangements for the meetings of the committees were then made, and the Convention adjourned till 3 P. M.

AFTERNOON SESSION.

The Chair, on calling the Convention to order again at 3:30 P. M., requested delegates addressing the Convention to state their names and State plainly, in order that the records of the Convention might be preserved more accurately.

Mr. Curtis, of California. Mr. Chairman, at the request of the California delegation, I move that the doors of the Convention Hall be thrown open to the public.

The motion was unanimously adopted.

The Chair. The next business before the Convention will be the report of the Committee on Credentials.

Mr. Washburn, of Ohio. Mr. President, your Committee on Credentials are prepared to make their report, and, previous to its being read, I desire to say, that the Committee has labored diligently to meet quite a number of questions of importance, as it seemed to them, that were called up in their deliberations, one of which was in relation to additions to the twenty delegates appointed from each State and Territory in the Union, those additional delegates having been appointed at large by the organization which had charge of the calling of this Convention. A few of those delegates are present, and the question arises whether those gentlemen should be added to the representation of the different States. I will state that the Committee, with great unanimity, agreed to limit the number of votes from each State to twenty, and then the question arose as to how that vote should be cast, many of the States being deficient in the number of delegates they are authorized to have on this floor. The majority of your Committee decided that

*The Committee
on Credentials.*

each State should be entitled to twenty votes and no more, and that the different States should determine the manner in which that vote should be cast. A minority of your Committee disagreed, and the two reports will be embodied in the report of the Committee in general, which I now present.

A Delegate. Mr. Chairman, I move that the reading of the names be dispensed with.

Mr. Kerr, of Colorado. It will be absolutely necessary, in order to have an intelligent idea of who are delegates and who are entitled to sit on this floor, and who have been omitted, that the names of the delegates be read. I have the honor of being one of the Committee on Credentials, and, with reference to our delegation, I will state that I did

not have the list of duly accredited delegates
Names of Delegates Requested. and alternates appointed by the Governor, and I was not aware myself of those who were appointed as delegates or as alternates, and did not know all who were appointed, and I expect I omitted some names. In order to have it correct, I think it would be much better for the Convention to take the time and pains to have the names read over at length.

Mr. Washburn, of Ohio. In order that the Convention may understand the manner in which our report was prepared, I will state that a member of the Committee on Credentials from each State and Territory reported the names of the representatives from his State or Territory, separately and distinctly, and upon that report we acted. It is presumed, sir, that the representatives of each State and Territory here knew all the representatives present from his State, or the way in which they were authorized to represent the State. Under that presumption, sir, I suppose there is no necessity of recapitulating the names here. [Cries of "Question."]

Mr. Kerr, of Colorado. I move to lay the motion on the table.

The Chair. Are you ready for the question on the amendment to the original motion to lay on the table?

Mr. Kerr, of Colorado. My motion was that that motion to dispense with the reading of the names of the delegates be laid on the table.

A Delegate. Is it understood that a vote to lay the motion on the table carries the whole question with it? [Cries of "No, no."]

A Delegate. A number of gentlemen have come into the hall since this discussion began, and would like to have the question stated.

The Chair. The first motion was to dispense with the reading of the names of the delegates. The amendment was to lay the motion on the table.

A Delegate. If that is laid on the table what would be the result?

The Chair. It would result in the reading of the names.

The vote was then taken, and the motion to lay on the table carried.

Mr. Curtis, of California. I now move that the reading of the names be dispensed with for one hour.

A Voice. What for?

Mr. Curtis. So we can listen to the report of the Committee on Organization and Order of Business.

Mr. Kerr, of Colorado. I rise to a point of order. We can not proceed to the organization of this Convention until we know who are the accredited delegates.

The Chair. The point is well taken.

Mr. Curtis. That I have no right to make this motion?

Voices. Yes.

Mr. Curtis. Since when?

A Delegate. I insist on the gentleman taking his chair. The Chair has decided his motion out of order.

The Secretary then proceeded to read the report of the Committee on Credentials, as follows:

Mr. Chairman:—Your Committee on Credentials report *The Delegates Announced.* as present and entitled to seats in the Convention the following named delegates:

From Alabama—Albert Strassburger, A. Irwin.

From Arkansas—John G. Fletcher, Tom Steele, Charles Coffin, B. D. Williams, V. Y. Cook, Zeb Ward, Ben Crowley.

From Arizona—John C. Loss, W. J. Cheeney.

From California—Edward Curtis, Frank M. Pixley, James McCudden, Charles L. Ackerman, Robert McCeney, David Jacks, William A. Harris, D. Ernest Melliss, John P. Bacon, George Townsend, C. F. Summers, C. O. Ziegenfuss, John C. Martin, T. E. Mitaff.

From Colorado—Edward Eddy, J. M. McMichael, Wm. J. Kerr, Lyman Robinson, E. H. Teats, J. M. S. Egan, W. A. Duff, G. F. Batchelder, G. A. Crone, S. R. Fitzgerald, Moriz Rich, W. R. Crandall, H. B. Chamberlain, Andrew McClelland, T. B. Buchanan, Otto Mears, W. G. Shedd, James A. Louthett, A. B. Bohn, D. C. Hartwell, C. C. Hasbrough, D. Day, H. B. Gillespie, Timothy O'Connor, Thomas Nash, H. B. Morse, G. H. F. Meyer, William McMechan, R. J. Coleman, T. R. Henahen, R. O. Olds, W. C. Wynkoop, J. M. Jardine, Arthur W. Sewell, W. H. Slater, Thomas H. Kane, J. W. Koff, L. A. Dunham, W. S. House, John Harvey, James Houseman, Dennis Sheedy, C. G. Hathaway.

From the District of Columbia—Lee Crandall, I. C. Michels.

From Illinois—J. B. Barnes, Jesse Harper, W. E. Phelps, George E. Waite, H. W. C. Block, W. P. Sloan, W. B. Dunlap, Jos. Hodnett, Dr. Henry Tubbs, Capt. D. H. Harts, Norman H. Moss, Adolph Horn, L. B. Parsons, R. F. Higgans, Jasper M. Reece.

From Indiana—Thomas H. Nelson, Russell Beinent, J. M. Reynolds, Ezra G. Hays, J. Y. Demaree, P. S. Kennedy, Sid Conger, C. W. Bronse, W. T. Darbin, M. C. Rankin, J. H. Allen, S. Vater, C. W. Phillips, J. Ben Morris.

From Iowa—L. H. Weller, Devlin Bates.

From Idaho—F. P. Cavanah, William Hyndman, A. B. Hudrix, Edwin C. Coffin.

From Kansas—H. B. Kelly, D. C. Metzker, George A. Clark, A. N. McLennan, C. H. Kimball, F. L. Dana, J. W. Rush, W. C. Robinson, W. M. Fortescue, T. J. Palmer, A. C. Shinn, E. C. Robinson, S. N. Miller, C. F. Scott, C. E. Preston.

From Kentucky—A. M. Brown, J. L. Sandford, Yoder Poignard, W. H. Yost, R. T. Tyler.

From Louisiana—P. T. Leavy.

From Missouri—O. Guitar, D. H. Armstrong, Geo. H. Loker, Jr., W. E. Walton, J. C. Brown, Felix L. LaForce, J. S. Flemming, L. M. Rumsey, W. O. L. Jewett, Robert L. Yeager, John Doniphan, Gustave Ettmueller, D. C. Allen, A. Musser, Geo. Wilson, E. T. Nolan, D. C. Kennedy, Pat. Murphy, J. A. Churchill, J. F. Green, C. W. Mullinix, E. W. Turner, James Carr, Edwin Harrison, A. Ittner, S. C. Downing, F. Hustan, R. E. Lowder, John G. Kelley.

From Mississippi—Joseph H. Smith.

From Michigan—Ben. Colvin.

From Montana—J. F. Mills, R. C. Walker, F. M. Malone, N. J. Biebenberg, W. G. Gallagher, H. McDonnell, C. F. Musigbrod, Sam. Shwab, W. D. Flowers, James A. Murray, James Leahy, Chas. D. McLure, Conrad Kahrs.

From Nebraska—J. K. Stockton, Wm. Wallace, Henry C. Smith, C. B. Burrows, C. H. Brown, J. J. Roche, Allen Root, J. Burrows.

From Nevada—Wm. M. Stewart, Francis ^{g.}Y. Newlands, Thos. Fitch, Jos. Grandelmeyer, C. H. Patchen, R. B. Higbee, M. J. Farrell, Chas. Kappler.

From North Carolina—F. S. Bryan.

From New Mexico—Hiram Hadley, Sam'l D. Baldwin, Wm. Burns, John H. Isgrig, Geo. H. Utter, Frank A. Manzanares, Sam'l B. Axtell, J. D. Torlina, E. B. Pichell,

From New York—Thomas Jordan, S. W. Miller.

From Ohio—Geo. G. Washburn, R. B. Pullan, Jas. Eilbourn, Wm. H. West, A. J. Warner, E. D. Stark, Wm. Brinkley, Frank J. Scott, E. J. Farmer, L. E. Holden.

From Pennsylvania—John A. Grier, W. J. Cheeney, H. D. Lowing, H. Veeder.

From Texas—G. B. Stevenson, Charles Longueamere, John Willett, J. P. Flynn, C. C. Fitzgerald.

From Tennessee—Andrew J. Keller, Sam Tate, Jr.

From Virginia—J. W. Porter, John L. Cockrell, M. Holt.

From Utah—R. C. Chambers, C. C. Goodwin, A. G. Norrell, John J. Daly, J. M. Wallace, C. E. Zelle.

From Wyoming—M. N. Grant, M. M. O'Malley, E. Amorette, A. C. Beckwith, H. V. S. Graesbeck, Emile Granier.

A majority of your committee instruct us to report and recommend to the Convention that each State represented be entitled to twenty votes, regardless of the number of delegates present; and that each delegation decide for itself how its vote shall be cast.

A minority of your committee report and recommend to the Convention that each delegate present be entitled to one vote on all questions before the convention.

GEO. G. WASHBURN, Chairman.

C. H. KIMBALL, Secretary.



It was moved that the report of the Committee be accepted.

The Minority Report Advocated. Mr. Kerr. I move, as an amendment, that we adopt the minority report as a substitute for the majority of report.

The Chair. You have heard the amendment, that the minority report be adopted as a substitute for the majority. Are you ready for the question?

A long discussion followed on this point, participated in by Delegates Kerr, of Colorado; Washburn, of Ohio; Cheeney, of Pennsylvania; Miller, of New York; West, of Ohio; Kimball, of Kansas; Egan, of Colorado; Coffin, of Arkansas; Goodwin, of Utah; Bland, of Missouri; Guitar, of Missouri; Lowing, of Pennsylvania; Colvin, of Michigan; Curtis, of California, and Slater, of Colorado.

By request, the Secretary then read the minority report, and the question was resumed.

Senator Stewart, of Nevada. To bring this discussion to an end, Mr. Chairman, I move to amend so that each State represented shall be entitled to twenty votes, and each delegate at large be entitled to an individual vote in addition.

Senator Stewart's Substitute. Mr. Symes, of Colorado. Mr. Chairman, I hope that the substitute offered by the Senator from Nevada will be adopted. Every delegate at large, accredited by the Executive Committee, should have a vote, no matter what State he may be from, or to what delegation he is naturally attached.

Senator Stewart. That is the intention.

Mr. Symes. Then with that as the intention of the amendment, Mr. Chairman, I heartily concur with my distinguished friend, Mr. Bland, who has said we want representation from every State in the Union, whether or not the people are so unfortunate as to have a governor who,

because of his ties to the Wall street interests, has not accepted his privilege to appoint delegates.

The discussion was then again taken up, Mr. Harper, of Illinois, leading the debate in favor of the substitute. He was followed by Delegates Curtis, of California; Symes, of Colorado; Kerr, of Colorado, and Pixley of California. The latter seconded the substitute of Senator Stewart. He said:

“Now, gentlemen and Mr. President, bear in mind that we are assembled from all parts of the Union. Telegrams as to our action are going out from one end of the land to the other. We stand here to-day, Mr. President, as school masters in the great project of national education. We know that silver has been the metal or the money of this nation for eighty years. We know also that it has been robbed of its representative value by treachery and fraud in legislation, and we know that the result is that that treachery has been the misfortune of all our interests, not only the metal bearing interests of California and Nevada, but the great grain growing interests of the north and northwest, the cotton interests of the south and southwest, and the commercial interests and the mechanical interests of the whole United States. I will add further, that it is the working men of the Union who are enlisted in this cause. It is to them that we propose to give relief, and I see no better way than that presented by the Senator from Nevada, who has been the king and leader, the color bearer, with his colleague, Senator Jones, in this whole silver contest. I do not mistrust or question the honesty of any delegate here, but I do question the intelligence of the delegates, if we do not allow States to speak instead of individuals. I would rather have the State of Michigan represented by one farmer, an advocate of this great principle, or have four cotton growers from Texas, or one planter from Alabama,

*The Work of
Education.*

than all the people who question this matter. We are fighting the bond holders, the great syndicates, and the curb stone manipulators who receive their pay from them. Our appeal is to the working people of the entire country, and we ask of them that they exert their influence upon the Congress of the United States to bring a practical result out of this Convention. Let us go to work and cast our votes for the substitute. That will give success to the whole business.

*Adoption of the
Substitute.*

[Cries of "question."]

The Secretary then read the substitute, as follows:

"*Resolved*, That each State and Territory, which is represented, be allowed to cast twenty votes, and that, in addition, the delegates present, in excess of twenty, be allowed to cast each one vote."

Senator Stewart. On that substitute I move the previous question.

The motion being carried, and the previous question ordered, the main question being on the adoption of Senator Stewart's substitute, it was carried unanimously.

Mr. Curtis. I now move the adoption of the report of the committee as amended.

The report was then adopted unanimously.

The Chair. Gentlemen, the next business before this Convention will be the report of the Committee on Permanent Organization and Order of Business.

The Secretary then read the report of the committee, *The Permanent Organization*. the announcement of the officers selected being received with applause, as follows:

That the permanent officers of this Convention be:

Chairman, Hon. A. J. Warner, of Ohio.

Vice Chairman, Hon. J. M. McMichael, of Colorado.

That the Permanent Secretary be A. Singer, of Missouri.

That there be three Assistant Secretaries, as follows: F.

L. Dana, of Colorado; T. J. Palmer, of Kansas; John A. Grier, of Pennsylvania.

That each State and Territory and the District of Columbia, through their respective delegations, name a person as Vice President of the Convention.

2. That the discussions of the Convention be confined strictly to the subjects embraced within the call of the Convention, to wit: “The rehabilitation of silver as one of the money metals of this country.”

*The Discussion
Defined.*

3. That each resolution as introduced be referred by the Chairman, without debate, to the Committee on Resolutions; that each speaker be limited to ten minutes, excepting from the operation of the rule, such speakers as have been invited by the Executive Committee of St. Louis to address the Convention, and such as may be specially invited by the Convention.

Your committee reports the following as the order of business for the Convention:

1. Report of Committee on Credentials.
2. Reports of other committees, general and special.
3. Introduction of resolutions.
4. Addresses and discussion.
5. Unfinished business.
6. New business.

JAMES A. SMITH, Chairman.

ERNEST MELLISS, Secretary.

On motion of Mr. Doniphan, of Missouri, the report was unanimously adopted.

Mr. Curtis. I move, Mr. Chairman, that we adjourn till 10 o'clock to-morrow morning.

The motion was, however, interrupted by calls for Gen. Warner.

Mr. Fitzgerald, of Colorado. Mr. Chairman, I move that a committee of three be appointed by the Chair to notify Gen. Warner of his selection as permanent Chairman of this Convention, and to escort him to the chair.

The motion was carried, and the Chair appointed C. R. Fitzgerald, of Colorado; Hon. William M. Stewart, of Nevada, and Hon. R. P. Bland, of Missouri, as such committee.

The committee waited upon Gen. Warner immediately, and escorted him to the stage, from which he was introduced by Temporary Chairman Rumsey. He was received with applause. On taking the stand, Chairman Warner addressed the Convention as follows:

GENTLEMEN OF THE NATIONAL SILVER CONVENTION:— I thank you most heartily for the unexpected honor of being chosen to preside over your deliberations.

*Address of
Chairman
Warner.* You have come together to deliberate upon a subject than which none other more deeply concerns the welfare, not only of all the people of the United States, but of the entire world. It is in its monetary aspect that you are to consider, as I understand the call, the question of silver. Since the action began by Germany in 1872, followed by other nations of Europe and the United States, demonetizing and limiting the use of silver as money, a discussion has gone on both sides of the Atlantic, more important, probably, than any other monetary discussion that has taken place in the history of the world. And I say what I believe will be concurred in by scientific economists the world over, that in the field of discussion bi-metallists have won the victory. [Applause.] The attempt to change the money standard from gold and silver to gold alone was worse than a blunder. There were those connected with this movement, undoubtedly, who knew what the consequences

would be. There were men seventeen years ago who understood Ricardo thoroughly, and knew what the consequences of limiting the world's money supply to gold alone would be on debts created on the basis of the two metals. They were aided in their design by men who did not understand the far reaching consequences of such legislation, but as the discussion has gone on, and light has been shed upon this subject, the world has come better to learn what the consequences of silver demonetization would be, if finally and fully carried out as contemplated. This discussion has shown that the demonetization of silver has altered the value of gold, that it has made the gold standard itself a very different standard from what it was with silver associated with gold as money. In other words, the two metals combined, as used before 1872 by all the commercial nations of the world, constituted a very different standard from that which gold alone constitutes with silver demonetized. Thus, the demonetization of silver has altered the value of gold. It is demonstrable from abundant statistics that gold has been increased in value by a large percentage, from no other cause than the demonetization of silver. When any part of a money volume is interfered with, the value of the whole is affected.

It has also been shown that to limit the future supply of money to the gold mines alone, must result in a reduced volume relatively to population and wealth. It means that the alteration in the standard shall go on, as population and wealth increases, for an indefinite period of time, thus affecting the equities of all contracts, public or private, entered into on the basis of both metals as money.

The gold monometalists have virtually given up the defense of such a policy. They admit that the effect of silver demonetization so far has been to augment the gold

Debts on the Basis of Two Metals.

The Future Supply of Money.

standard, thereby changing the obligations involved in all contracts entered into between man and man. [Applause.] Viewed in this light the attempt to demonetize silver, and thereby covertly to change the world's money standard, was nothing less than an attempt to commit a crime against the people of the world, on a scale never before contemplated. [Applause.] Under this legislation, adverse to silver and favoring gold, the two metals have separated from their former ratio.

One of the questions which you are to consider is the wisest and best way to restore silver to its former place as a money metal, equally with gold. For in-

*The Restoration
of Silver.*

definite ages, prior to 1872, the world had settled down upon the two metals as money metals. They were set apart from everything else and made money material, free to everybody to use, requiring only the certificate of the government as to weight and fineness. When miners dug silver or gold then, they dug money. The valuation of the world's wealth, of everything, was determined by the two metals in the possession of the world, and the annual supply of both. The regulations of the money volume came through the mines, and was independent of legislation. It has become a well-settled proposition in economies that the value of gold depends upon the stock of gold in the world, and the annual supply thereof, as compared with the uses of gold. The value of silver is likewise determined by the quantity in the world and the annual supply added, as compared with the uses of silver, and when the use of either metal is restricted by legislation, of course its value is affected, and the value of the money standard of the world becomes affected. The question of restoring what has been disturbed by this adverse legislation of the various nations is now the important problem before the world. From nothing, probably, has mankind suffered so much in the past as from bad monetary

legislation, or bad monetary regulation. [Applause.] Stability in money is the first of all things to be desired, [Applause.] Stability in that which measures the value of other things, and measures the obligations which men enter into when they make contracts, one with another, is of supreme importance everywhere. The greatest possible stability has been attained by resting the valuation upon the two metals, and not upon one. Geologists agree that the supply of gold, that is, the future supply from the mines is necessarily a limited and a waning supply. The supply of silver is more to be depended upon, more regular and certain. The supply of the two together has been more staple and regular through ages than the supply of either separately. What we ask as silver men, and it is in the interest of silver as money affecting the welfare of all the people that I speak—what we ask is the restoration of that condition which for so many ages stood as the settled policy of the world, that silver shall be restored to its place as a money metal by the side of gold, at the ratio in coins, which has existed from the foundation of our government. [Applause.]

The causes which led to the adoption of the two metals, rather than one, in the organization of our government, which caused Hamilton and Jefferson and Washington to decide to vest the money volume on two metals rather than on one, are as potent to-day as they were when the constitution was framed. [Applause.] The reasons are as good to-day as they were one

*Causes that
Endure.*

hundred years ago, and could the purpose of the men who inaugurated the legislation of 1872, and the subsequent legislation have been carried out, had it not been arrested, who can tell what the consequences to the world, with its vast national debts, would have been? Fortunately that purpose was arrested.

You have present with you here to-day one whose

services in arresting that legislation and restoring, in part, the coinage of silver to the mints of this country, has earned for him the gratitude of all who have desired to see this end brought about. [Cheers.] The labors of such men have been patriotic labors; they have had no interest in silver mines; their interests have been only for the common good of the people of their country and of the world. They have won the fight, I repeat, in the field of discussion. It is for you, in your deliberations here, and in your wisdom to decide the best and most practicable way to restore what never ought to have been disturbed. [Applause.]

Again, I thank you, gentlemen, and shall ask the aid of the members of this Convention to assist me in performing the duties which you have devolved upon me. [Applause.]

The Colorado delegation then asked to be recognized on a special matter, and Mr. H. B. Chamberlain, President of the Denver Chamber of Commerce and Board of Trade, was called to the stage, where he presented to Chairman Warner a handsome solid silver gavel, in the following remarks:

MR. CHAIRMAN AND GENTLEMEN OF THE CONVENTION—

Presentation of the Silver Gavel. I assume that the members of this Convention will not need to be assured of the deep and abiding interest of the citizens of Denver in the important question before this body. The Denver Chamber of Commerce and Board of Trade, desiring to emphasize their sympathy, have had made this solid silver gavel, and have commissioned me to present it to the Chairman of this Convention. When Kansas, in 1861, was about to be received into the Union, she said to her Western country, "Now, Colorado, you are of no value to me; go and rustle for yourself," and Colorado has been "rustling" ever since. I bring you the appreciative greeting of no mean city. Denver has increased her population from

35,000 to 135,000 in eight years, 307 per cent, the largest proportionate increase made by any city of the size in the United States. It is impossible to have any adequate conception of the future of Denver and Colorado, without a definite knowledge of the natural resources of the State. The total area of Colorado is 66,332,800 acres, being equal to the combined area of England, Wales, Scotland and Ireland. Of this 34,000,000 acres are arable land. You will note that I use the word arable rather than sterile, for all this land is capable of the highest state of cultivation when water has been brought to it. The question of water for this great territory, while in a measure unsolved, is in process of solution through the efforts of the National and State Governments, and we have no doubt that future years will see, through the storage of the mountain waters in reservoirs, this entire tract of country under the most perfect cultivation. It has been my fortune within a few weeks to give a little time to the study of irrigation in Lombard, Italy, where the system has its most perfect exemplification. I found there 325,000 acres under irrigation, supporting a population of 3,557,000 people, so that it is not too much to expect when the Columbus anniversary comes 100 years hence, and Denver by common consent is selected as the place for the World's Exposition of that century, that Colorado will have a population equal to that of Great Britain and Ireland, 30,000,000 souls. Crops by irrigation are much greater than from rain falls. The crop of wheat in Colorado is from 35 to 70 bushels per acre, oats from 40 to 90 bushels, barley from 40 to 95 bushels, potatoes from 200 to 1000 bushels, alfalfa, our fodder crop, 3 to 6 tons per acre. You will recognize these figures to be from 33½ to 50 per cent in advance of the very best harvest of States not using irrigation. While we have but 2,000,000 acres at present under cultivation, as this area is enlarged Colorado will furnish a large export crop, especially in cereals.

The irrigation system comprises 1,000 miles of large canals and 35,000 miles of canals of secondary size, and the total cost of which has been upwards of \$8,000,000.

The steady advance in the output of the precious minerals has convinced those who give careful thought to the future of the State, that from this source, alone, we have a mine of wealth, which the most sanguine has thus far failed to appreciate. The income from this industry in 1888, was \$35,000,000, and the men employed in that branch of industry in Colorado, are equal in number to those required for the cultivation of 5,000,000 acres of corn, and the value of the product is the same as that to those required for the cultivation of 5,000,000 acres of corn, and the value of the product is the same as that from such an area of corn. It has been stated by such competent authority as Congressman Kelly, of Pennsylvania, that Gunnison County alone has more coal uncovered than all of Pennsylvania, and that in the same county, more hematite iron has been opened up, than has been found in the entire State of Pennsylvania. I venture to assert, that in but one place in the world, and that in Colorado, is there a manufacturing corporation having a contract for coal delivered on its ground at as low a figure as 50 cents a ton. The smallest contract I have heard of, after making considerable inquiry the past summer in Great Britain, was 3s. 7d. per ton, and that was at a manufacturing establishment in New Castle. The coal area of Colorado covers a territory of 220 miles from the north to the south, and 120 miles from east to west, and almost the whole of this territory is underlaid with lignite, bituminous and anthracite coal. While Denver is the base of supplies for but a small population, compared with the Eastern cities, you may be surprised to learn that we have 396 manufacturing establishments, employing 3,409 people, paying in wages \$5,829,348 per annum, with a product of

\$30,333,360, the average wages paid for each man, woman and child being \$710, greater than the average of any city in America. There are \$12,000,000 worth of buildings in process of erection, exclusive of the great capitol building. This is a fitting sequel to the marvelous real estate sale of the past year, which amounts to upwards of \$44,000,000, when 1,827 new buildings were erected. The realty sales for 1889 will exceed \$60,000,000, and the number of buildings erected, 2,529.

It is appropriate that this gift should be composed of silver, the chief product of Colorado. The output from the precious metals last year, was \$35,000,000, and the total metallic output of Colorado has been \$297,000,000. I trust this Convention will start rolling a ball which will not cease its motion until the nations of the world accord to silver the place it should have, as a measure of value equal with gold. In behalf of the Denver Chamber of Commerce and Board of Trade, I have the honor, Mr. Chairman, to present you this silver gavel.

The presentation was greeted with wild applause, and it was several minutes before attention was secured for a return to business.

Mr. Phillips, of Indiana. Mr. Chairman, I have a *The First Resolution.* resolution which I would like to present at this time, if it is in order.

The Chair. Let the resolution be read.

It was then read as follows:

Resolved, That it is the sense of this Convention that no motion or other paper or side issue should be recognized by the President of this Convention that should intimate to Congress what should be its action as to the weight or fineness of silver coinage, but that the Convention should be held to its call for the free coinage of silver.

The resolution was unanimously adopted.

Mr. Morse, of Colorado. Mr. Chairman, I understand that the report of the Committee on Organization recom-

mended that each delegation select its own Vice President. I think we are ready to proceed with this work now.

The Chair. I understand that to be the report of the committee. The delegates from each State will please select a Vice President and send the name to the Secretary. That is part of the unfinished business.

The list of States was then called, and the Vice Presidents announced as follows:

- Alabama, Albert Strassburger.
- Arkansas, T. W. Steele.
- Arizona, W. J. Cheeny.
- California, Edward Curtis.
- Colorado, Dennis Sheedy.
- District of Columbia, Ivan C. Michels.
- Illinois, J. W. Barnes.
- Indiana, Septimus Vater.
- Idaho, Wm. Hindeman.
- Kansas, C. H. Kimball.
- Kentucky, Yoder Poignard.
- Louisiana, P. T. Levy.
- Missouri, John Doniphan.
- Mississippi, Jos. B. Smith.
- Michigan, Ben Colvin.
- Montana, C. F. Musigbrod.
- Nebraska, Allen Root.
- Nevada, Jos. Grandemeyer.
- North Carolina, F. S. Bryant.
- New Mexico, Hiram Hadley.
- Ohio, E. J. Farmer.
- Pennsylvania, M. D. Lowing.
- Texas, Chas. Longuemare.
- Tennessee, Sam Tate, Jr.
- Virginia, M. Q. Holt.
- Utah, A. C. Chambers.
- Wyoming, A. C. Beckwith.

The Convention then adjourned till 10 o'clock Wednesday morning.

SECOND DAY—WEDNESDAY.

MORNING SESSION.

The Convention was called to order at 10:30 by Chairman Warner, and the following dispatches were read by the Secretary:

PORTLAND, ORE., November 26, 1889.

A. SINGER, Secretary:—Our train wrecked Sunday. The delay made it too late to reach St. Louis in time for Convention. I am returning home. If I can serve Convention at Washington will go.

C. P. CULVER.

WASHINGTON, D. C., November 26, 1889.

MR. ALBERT SINGER, Secretary:—Convey my deep regret at being unable to participate in the deliberations of the Convention with assurance that I shall aid in promoting the result reached.

NATHAN FRANK,

Congressman, Ninth District Missouri.

Mr. Longumare, of Texas, was then recognized, and said:

Mr. Chairman, I desire to state that yesterday, in my absence, a question arose as to the legitimacy of the delegation from Texas. I have already placed in the hands of the Secretary my credentials, and I have a commission from Governor Ross, of Texas. [Applause.]

The Chair. Unfinished business is in order. If there are any resolutions to be presented for reference to the committee, they can be handed in now.

*Additional
Credentials.*

There are a number of credentials which have been handed to the Secretary, which will be referred to the Committee on Credentials.

A Voice. The Committee on Credentials has been discharged.

The Chair. The credentials presented since the report of the committee; the committee having been discharged, may, without objection, be handed to the Secretary and the names be entered on the list.

Mr. Utter, of New Mexico. As a member of the Committee on Credentials, I will state that we had an understanding that all credentials be referred to the Secretary of this Convention, and where there is no contest they will be placed upon the roll of members.

Mr. Washburn, of Ohio. As Chairman of the committee I will state that the gentleman is correct. We acted upon the credentials before us, with the understanding that the others, if properly presented, should be handed to the Secretary, and by him placed upon the roll.

By consent the credentials were handed in, and were received and recorded.

Mr. Morse, of Colorado. Mr. Chairman and Gentlemen: I do not think that Colorado wants the earth, but what Colorado does want is to be connected by ties that will remain forever to the great Mississippi Valley, and in view of the negotiations going on between the Republics of South America and this Republic, I desire to submit the following resolution:

*International
Ties.*

Resolved, That the Senators and Representatives of the Congress of the United States be and are hereby requested to establish a unit for the coining of silver with the South American States, that shall make silver coin pass current on a par with gold in all the Americas of the Western Hemisphere, and that they also be requested to open negotiations with the Congress of all the Americas, now in session in Washington, for the building of a railroad from the United States to and through the States of South America.

Mr. Curtis. Now, Mr. President, I hold that if—

A Delegate. Mr. President, by the rule, I suppose that resolution will go to the Committee on Resolutions without debate.

Mr. Washburn, of Ohio. As there are several gentlemen who did not hear the resolution distinctly, I will ask the Secretary to read it again.

The Secretary then read the resolution.

Mr. Morse. I offer that resolution, and I desire to speak to it at the proper time.

The Chair. The opportunity will be afforded.

Mr. Washburn. I desire to raise an objection to the reference of the resolution offered by the gentleman from Colorado, because it does not conform to the rule of this Convention, that we are not to consider any matter outside of the call of this Convention.

Mr. Utter, of New Mexico. I wish to offer a resolution.

The Chair. Before offering the resolution or reading it, the Chair prefers to have the other question disposed of.

Mr. Utter. I have accompanied this resolution by some remarks in writing, which I will turn over with the resolution, and not consume the time of the Convention.

The Chair. Does the gentleman desire to have the resolution read?

Mr. Utter. Yes, sir.

The Chair. Before that is done, the other questions will be disposed of. The resolution offered by the gentleman from Colorado, including the question of the construction of a railroad, as well as that of silver coin, has been objected to on the ground that it introduces other matter than that which the Convention was called to consider. But as it is a part of a resolution which, under the rules, goes to the committee, the Chair thinks that that question is still left with the committee, and the resolution properly goes to the Committee on Resolutions without debate.

Mr. Utter then secured recognition by the Chair, and sent up the following resolution with accompanying remarks, which were read by the Secretary:

A Bank Deposit of Bullion.
Resolved, That the National banking system of the country shall only be perpetuated by the said banks depositing with the Government, as security for their circulation, gold or silver bullion, silver to be received by the Government at a value of \$1.12 per ounce.

Referred to the Committee on Resolutions.

Mr. J. B. Barnes, of Illinois, offered the following:

Resolved, That inasmuch as the total number of standard silver dollars coined up to the present date is less than \$350,000,000, and that the total number of silver certificates now *Standard Silver* in circulation is only about \$285,000,000, it is the *Dollar Coinage.* duty of the coming Congress to take such steps to provide a greater volume of that circulating currency, which is handled almost exclusively by the agricultural and industrial classes.

2. That it is the duty of Congress to pass such measures as will allow the United States mints to receive gold and silver bullion, the product of American mines only, and to issue a receipt for the value of the same, according to the number of dollars into which said bullion can be coined.

3. That the Secretary of the Treasury be authorized to redeem such United States mint receipts, either by issuing gold and silver coin or by coin certificates of the usual various denominations, which shall be a full legal tender for debts, public and private, except duties on foreign imports.

4. That the Secretary of the Treasury be authorized to make the necessary regulations for ascertaining whether such bullion is the product of the mines of the United States and its Territories.

5. That Congress is hereby requested to take such steps as in its wisdom is deemed necessary to protect the product of our American silver mines, and render it impossible for any European power to fix the price or depreciate the value of American silver.

6. That it is the duty of Congress to adjust our coinage laws, that they may give full and ample protection to our silver mines and fix the price of American silver bullion.

Referred to the Committee on Resolutions.

By Mr. Geo. Wilson, of Missouri:

Resolved, That we invite all organizations for protecting the interest of agriculture, stock growing, manufacturing and commerce to unite with us in demanding a constitutional coinage, believing that our interests are the same.

Referred to the Committee on Resolutions.

By Mr. W. E. Phelps, of Illinois:

Resolved, That the efforts to measure the products of human industry by the single standard of the gold unit, at a time, too, when the business of the country is increasing far more rapidly than ever before, is depressing our industries, crippling our enterprises and injuring the debtor class.

2. That, whereas the price of our products and industries have been tending downward for years, and whereas this is especially true of what are usually known as capitalized or fixed values, we believe the real reason for this condition is the fact that there is not a sufficient amount of intrinsic money to represent the property of the country, and we believe, further, that this disastrous condition can be at least partially remedied by a recognition of the product of our silver mines as a part of the legal money of the country.

3. That we account for the present wide difference in the price of gold and silver bullion, not only by the fact that foreign governments, as well as our own, have demonetized silver, thereby cutting off its principle use, but also by the further fact that the use of gold as a legal tender coin has greatly enhanced in its value, and we believe a return to the free coinage of silver will return the long recognized ratio between the precious metals.

4. That the unlimited free coinage of silver, the product only of American mines, on the same terms that gold is now coined, is demanded not only by the silver interests which, like any other producing investment is entitled to protective consideration, but also for the highest and best good of the manufacturing and commercial interests of the whole country, and is in accordance with the dictates of an enlightened political economy.

Referred to the Committee on Resolutions.

By Mr. Fitch, of Nevada:

Resolved, That a National Executive Committee be appointed, to consist of one member from each State and Territory, to be appointed by their respective delegates, and ten members at large, to be appointed by the President of this Convention.

A National Organization.

Said National Executive Committee shall be empowered to call another National Silver Convention at such time and place, and upon such basis of representation, as they may deem expedient, and shall be empowered, in their discretion, to organize National and State Leagues for promoting the purposes of this Convention.

Referred to the Committee on Resolutions.

By David Jacks, of California:

WHEREAS, Wall Street and Eastern bond holders are now actually at work striving to elect a Speaker for the approaching Congress, whose record is entirely opposed to silver interests, and whereas, Representatives in Congress should be servants of the people, and whereas, this great Convention shows the unanimity of public opinion in the Western and Southern States and Territories, in favor of the free coinage of silver, therefore be it

Support for Friends of Silver.

Resolved, That the Western and Southern representatives in Congress be requested to support some friend of silver for the Speakership of the present House of Representatives, and that their failure to do so will be the betrayal of the people, warranting their political death.

Referred to the Committee on Resolutions.

Mr. Hart, of Illinois. I wish to move to suspend the rules for the purpose of adopting the resolution for the appointment of a committee for the purpose of calling another Convention, in the future. I do this because I believe it is the will of everyone in this Convention. If a Committee of that kind is appointed it becomes a machine that can be placed in operation at any time, and will be a club in the hands of the silver men of this country, to be used to good effect.

After some remarks, the motion was dropped.

Mr. Harper, of Illinois. We are here as delegates to a National Silver Convention. Very recently, gentlemen, I have been in eleven States, looking after interests that would necessarily present themselves to this Convention. There are men here on this floor that I have met down in Arkansas, Mississippi, Texas, Alabama, and more recently in Wisconsin. I hold here a request from different organizations in this country, that are working substantially to the same end for which we are striving; the Alliance men, the Grangers and the Wheelers, among the institutions of this country, and they say, "will you please present this to the Silver Convention?" This comes from three of those organizations, and they desire that there shall be a committee appointed, with which they may confer; a committee of propaganda. There are three things we wish to find out. The first is, how much gold coin there is. Second, how much silver coin. Third, the relative production of the two, and the other monies, now in circulation, that can be used for furthering the industry of production, so that we may see what steps we shall take for enlarging the amount of legal tender money.

The Chair. The question before the Convention is the motion to suspend the rules and adopt the resolution offered by the gentleman from Nevada.

Unanimous consent being asked for debate, objection was made in order that a waste of time might be avoided, and that the delegates desiring to offer resolutions might have the opportunity to do so, and get them before the Committee on Resolutions, a meeting of which had been called.

The Chair then called for a vote on the suspension of the rules on the resolution offered by Mr. Fitch. The motion was lost, and the resolution was referred to the Committee on Resolutions.

Mr. Weller, of Iowa. I believe that I am the only person here as a delegate to this body from Iowa. I sent a telegram on yesterday notifying the Chairman of this Convention that I had been delayed. I understand there is no representative from our State on the Committee on Resolutions, and, as it is perhaps rather a delicate thing to suggest myself, I, however, may be permitted to suggest that Iowa desires a representative on that committee.

Mr. Weller was added to the Committee on Resolutions.

Mr. Pullan, of Ohio. If the resolutions of the committee should otherwise recommend in general terms only the remonetization of silver, I wish to add the following:

*The Ancient
Standard of
Value.*

Resolved, That as a step to full and free coinage, the Government should immediately remove the maximum and apply the gold in the Treasury to the purchase of silver, in the manner that will best serve to secure obedience to the law making the ancient standard of value the true measure of all values in this country.

Referred to the Committee on Resolutions.

Mr. E. J. Farmer, of Ohio, offered the following resolution:

WHEREAS, The present issue of gold and silver certificates enables the bankers and enemies of silver to make a raid at any time on the Treasury for gold, for the purpose of injuring silver; therefore, be it

Coin Certificates.

Resolved, That Congress be requested to issue coin certificates in place of gold and silver certificates now extant, and hereafter only coin certificates should be issued by the Government.

Referred to the Committee on Resolutions.

Mr. W. E. Walton, of Missouri, offered the following:

WHEREAS, The agricultural, mineral and business interests of this country have been retarded and damaged by the demonetization of silver, the debasement of which metal by legal enactment has made money scarcer and increased the purchase power of gold,

*Unlimited Free
Coinage.*

to the great detriment of the debtor class and the producer; therefore, be it

Resolved, That it is the sense of the National Silver Convention, representing, as it does largely, the agricultural, mineral, and business interests of the United States, that our Congress, now soon to assemble, be memorialized to repeal all laws restricting the unlimited free coinage of silver, and enact laws rehabilitating the silver dollar, to the end that the silver dollar, the paper dollar, the gold dollar, be one and the same, interchangeable one for the other, at the option of the holder, at any Sub-Treasury in the United States.

Mr. W. H. West, of Ohio, presented the following:

Resolved, That the following propositions are recommended to Congress as the basis of desired legislation:

*Increasing
Minimum
Purchases.* 1. That the further coinage of silver dollars be discontinued, excepting so far as the same may become necessary for the redemption of silver certificates.

2. That the minimum purchase of silver bullion be increased at the rate of \$100,000 per month, until the maximum limit of purchases authorized by the existing law be reached; and all such purchases be restricted to the actual yield of the mines of the United States and Territories during the six months preceding the time of the purchase.

3. That when silver bullion of the market value of \$50, or of any multiple thereof, shall, during any month, be delivered by any citizen of the United States at the sub-treasury or other public depository of bullion, the Secretary of the Treasury shall cause to be issued to him silver certificates of like amounts, and of such denominations as are authorized by law, which certificates shall be receivable in payment of all taxes, assessments and public dues, State and National, provided that the aggregate amount accepted during such month shall not exceed the limit of authorized purchases; and, provided, further, that the market price so paid per ounce shall not exceed one-sixteenth of the value of an ounce of gold bullion.

4. That silver certificates so issued shall be redeemable in coin of the United States; or, at the option of the Secretary of the Treasury, may be exchanged for silver bullion in the Treasury at

the market value thereof, at the time of any such exchange, in sums not less than \$50, or some multiple thereof.

Referred to the Committee on Resolutions.

Mr. Walton, of Missouri, offered the following resolutions:

Resolved, That it is the sense of this Convention that Congress should pass laws requiring the Treasury of the United States to purchase all the bullion offered to the Treasury, which has been produced in the United States, and pay for the same by the issuance of coin certificates or coin at the option of the seller.

Referred to the Committee on Resolutions.

Mr. Parsons, of Illinois, presented a declaration from Farmers' Mutual Benefit Association, adopted at the session of the Association held in Mt. Vernon, Ill., as follows:

WHEREAS, We believe that the time has come when the industrial classes should speak to the National Government upon the subject of silver coinage in terms which cannot be misunderstood, and which should show not only the justice but urgency of their demands, therefore,

Resolved, That the plainest principles of justice to all; no less than the necessities of the great industrial and debtor classes, imperatively demand that the Government, in the exercise of its power and discretion, under existing laws, should at once cause the coinage of \$4,000,000 of silver dollars per month, the maximum now allowed by law; and that we demand through our representatives in Congress, further legislation if necessary to this end.

2. That in the opinion of this General Assembly, we should vindicate the crime committed sixteen years ago by a conspiracy of the creditor against the debtor class—the few against the many—in the demonetization of silver, the destruction of one-half of our metallic currency, to the end, if not the purpose, of making the rich, richer, and the poor, poorer; and that we pledge for the great agricultural interests unflagging zeal until silver coin takes the place it held in our circulating medium prior to 1873.

3. That we demand that Congress shall at its next session fix an early date when our mints shall be opened to the free and un-

limited coinage of silver upon the same terms and conditions of gold, and equal with gold in legal-tender quality.

4. That the conduct of a Government legislating in favor of a class to the injury of one of its greatest and most important productions is as unprecedented in modern times as it is suicidal and criminal.

5. That we urgently recommend the prompt action of kindred agricultural associations upon this subject, and that a copy of these resolutions be forwarded to them and our delegates in Congress, and,

WHEREAS, There is to be a National Convention convened at St. Louis, Mo., next week, in the interest of silver coinage; therefore,

Resolved, That a copy of these resolutions, duly certified, be presented to said Convention by some member of this Assembly, to be appointed by our President.

The resolution was accompanied by the following from the Secretary of the Association:

FARMER'S MUTUAL BENEFIT ASSOCIATION,
SECRETARY'S OFFICE,
MOUNT VERNON, ILL, November 25, 1889.

This certifies, that the foregoing preamble and resolutions were unanimously adopted by the General Assembly of the Farmer's Mutual Benefit Association, an organization having 2,220 subordinate lodges and seventy-six county assemblies, at work in ten States of the Union; and that Gen. Lewis B. Parsons, of Flora, Clay County, Ill., was duly appointed to be the bearer of said resolutions to the National Silver Convention at St. Louis.

Given under my hand and the seal of said Association, the day and year above written.

JOHN P. STELLE, Secretary.

The reading of this communication was received with a great deal of enthusiasm, and the resolutions and accompanying letter were ordered to be entered with the proceedings of the Convention,

Mr. Brouse, of Indiana, presented the following:

The Teaching of Political Economy.
Resolved, That the Legislatures of the various States of the Union be requested to pass such laws as will insure the teaching of political economy pertaining to an American system of currency, in the public schools of the respective States.

Referred to the Committee on Resolutions.

By Mr. Weller, of Iowa:

Silver First, Party Afterward.
WHEREAS, It has become painfully evident that there is a special antagonism to the proposition to place the silver coinage of the country on the same or a similar basis, as did the Congress of 1792, by the New England States and New York, Pennsylvania, New

Jersey and Delaware; therefore, be it

Resolved, That the Representatives of the Fifty-first Congress from the great West and Southwest and South, be respectfully requested to drop party caucus nominations for Speaker of the Fifty-first House, and center their entire vote on a Speaker pledged to the unlimited coinage of silver on the basis of present weights and fineness.

Referred to the Committee on Resolutions.

Mr. Grier, of Pennsylvania. I have the honor to hold in my hand a paper by Mr. John Thompson, of New York. He is about 87 years of age, and was exceedingly anxious to be with us at this Convention, but was unable to come. He has prepared a paper, and as we want to get all of the different views we can on this question, I should be very glad to have the Secretary read it.

The paper was read as follows:

MR. PRESIDENT—It is my deliberate judgment that we should move gradually in our efforts for a more liberal use of silver in our currency supply. For instance, let us first secure the coinage of the maximum, \$4,000,000 per month, and see the results produced under that augmented coinage. In my deliberate judgment, this augmented coinage would pave the way for

the adoption of free coinage by acclamation. With this view I offer the following resolution :

Resolved, That it is the sense of this National Silver Convention that Congress should make it obligatory upon the Secretary of the Treasury to coin \$4,000,000 worth of silver per month, as now authorized under the Act of February 14, 1878.

In speaking of this resolution, I hesitate before going over ground that has been traveled so frequently, or to reiterate arguments which may become wearisome. However, I deem the resolution of so much importance that I must task your patience. Long experience has taught me the intimate relation that exists between the currency of a country and its business prosperity. The resources of the United States have been developed as its population has advanced. We are accustomed to point with pride to the enormous increase of our aggregate wealth, within the last twenty-five years. But this increase does not necessarily indicate a proportionate increase in individual prosperity.

Individual and Aggregate Wealth. In fact, individual wealth has not increased in the proportion indicated by the aggregate wealth, and therefore trouble arises, such as contests between labor and capital, outcry against corporations and trusts, and the danger of concentrated wealth. Money is the instrument by which business is now carried on. It is a measure of value. A great proportion of the difficulty in solving the social problem of the present day is due to the demonetization of silver as a money standard. Commodities are said to vary in value or price, according to their supply and demand. But there is a still more important cause for their variations in price, and that is the fluctuation in the value of money. The ability to control the value of money gives it an undue influence over prices that a measure of values and medium of exchange should not have. Of all the artificial methods for increasing the value of money and depreciating the prices of commodities,

the wickedest was the demonetization of silver by the United States and by the Latin Union, in 1873. There is nothing in the production of silver since 1873, although it has somewhat increased, to prove that silver would not have maintained its old relation to gold if its coinage had not been discontinued. In fact, it is generally admitted that the discontinuance of its use as money has been the important factor in putting down the price of silver and consequently causing the depreciation in value of all other commodities. Demonetizing silver made it a commodity, and like other commodities it has felt the squeezing influence of gold.

The effect of dividing the world's stock of money into halves, and throwing the most useful half into the general sea of commodities, has been to nearly double the value of the remaining half, to the advantages of those who can control it more readily than they could the whole stock that previously existed. With the demonetization of silver began an era of contraction, not, perhaps, shown by the aggregate figures of the outstanding currency, but by the disproportion between the increase of the currency and the business of the country, which has increased out of all proportion to the growth of our aggregate circulating medium. Of the mass of gold in the country obtained since resumption, some \$200,000,000 is kept in the treasury, and is virtually no part of the working currency. It is only drawn out when used for foreign shipment. Our working currency consists of legal-tender notes, national bank notes, silver coin and silver certificates. The latter do not now increase as fast as national banks notes are retired. Therefore, it can truthfully be said that the stock of currency that does the work of the country is slowly but surely diminishing, while the business demands upon it are constantly increasing. Thus there have been two influences

at work tending to increase the measuring power of money in the United States, and consequent depreciation of property. One, the general effect of the demonetization of silver, and the other, the contraction of the particular kind of currency used. While our dollars are of silver, and the silver certificates are based upon them, so far both these dollars and their representatives have been restricted in amount and kept on a gold basis by a policy that has favored the gold monometallic standard.

In considering this resolution, I wish to call the attention of the Convention to the following *Common Points Agreed Upon*. points, which in all of the confusing controversy on the silver question seem to be agreed upon.

1. That silver and gold were kept at a nearly uniform relation of values by free coinage of both metals at the mints of the Latin Union and the United States prior to 1873.

2. That the cessation of free coinage caused the gold price of silver bullion to sink from about \$1.30 to about 0.92½ per ounce.

3. That if it had not been for the act of February 12, 1878, directing the coinage of not less than \$2,000,000, or more than \$4,000,000 worth of silver dollars per month, the gold price of silver bullion would have gone much lower. In other words, the coinage of the minimum amount of silver dollars has measurably sustained the gold price of silver bullion, and also the price of property.

4. That if the act of 1878 were repealed, and the coinage of silver dollars were to cease, the gold price of silver bullion would sink from 92 cents to about 67 cents per ounce. This was admitted by gold monometallic witnesses before the Royal Commission in England. If it is admitted that the coinage of \$2,000,000 worth of silver

into standard silver dollars per month has sustained the gold price of silver 25 cents per ounce, would not doubling its coinage, as it is called by this resolution, raise the price of silver?

This resolution aims at two things:

First, to show that the full and fair use of the remonetizing act of 1878 would increase the value of silver bullion, and thereby all other commodities, and set at rest many of the accepted fallacies in regard to silver, which no Secretary of the Treasury has ever tried to do.

Second, by giving at once a much-needed addition to our currency. It certainly can do no harm to try the experiment of coining \$4,000,000 worth of silver dollars per month for so laudable a purpose. But even this increased coinage of silver would not give us all the currency we need. It will only make a net addition of about \$1,000,000 per month, after allowing for the present rate of reduction of national bank currency, (viz.: about \$3,000,000 per month).

It is the fashion to say that nothing can be done to rehabilitate silver unless the consent of other nations is obtained. I believe that an initiatory step on our part is all that is necessary to re-establish the bi-metallic standard throughout the world. Such an increased coinage of silver by the United States as is now allowed by law, if the Secretary of the Treasury would only exercise his discretion sufficiently, would, in my opinion, make such a revolution as to open the eyes of many who now harp on the necessity of international agreements before anything can be done.

In offering the foregoing resolution, and in giving my ideas on it, I do not intend to be considered as opposed to free coinage. But I do think it more advisable to compel

action under the present law as speedily as possible, and perfect a free coinage act after the effect of this increased coinage has been tested. I submit this paper to the Convention, desiring only that it shall be fairly considered, and accepted or rejected, as in its judgment may be most conducive to the results we are aiming at. From the day silver was thrown out of the mints, your humble servant, with the late Thurlow Weed, of our State, commenced a crusade against the mono-gold standard, under the full conviction that it would lead to a contraction so vital as to make its impress on all prices of property, and wickedly disturb the equities as between debtor and creditor. Experience and observation, for more than fifteen years, have corroborated the correctness of our views and our theories. By throwing silver out of the category of money into the condition of merchandise, the specie foundation for all credits and currencies has been reduced fully one-half. That was a contraction of 50 per cent. It requires no farsightedness to perceive that such unheard-of contraction of the precious metal foundations of all credits and currency would be followed by a decline in value of all properties approaching 50 per cent. This is the condition of things at the present day. This is why wheat and other farm products are worth only two-thirds of what they would have been had silver remained as money. This contraction affects the mortgagor, making him apprehend approaching bankruptcy, and gives to the mortgagee an undue advantage. It gives the creditor an advantage over the debtor which is so discouraging that he feels like becoming a bankrupt rather than making an effort to continue on a financial paying condition. Therefore, I say that the demonetization of silver has been and is a wicked preference given to the creditor over the debtor classes of our entire population, and it is this preference that is driving our middle classes

*The Debtor
and the
Creditor.*

into poverty and enabling millionaires to multiply their millions. Nothing, in my opinion, will save our people from a social revolution so surely as the full remonetization of silver, and giving it all the advantages we now give to gold, both in law and in the ruling of our Treasury Department. In short, the mono-gold standard is a stepping stone to anarchy—nay, it is more; it is a flight of stairs leading to the chamber of horrors—bankruptcy, panics, suicide, repudiation, agrarianism and universal poverty among all real wealth producers, for whose welfare the best minds, the best statesmanship and the best representatives of all legitimate business interests should ever be enlisted.

Mr. Stark, of Ohio, offered the following:

WHEREAS, By unanimous consent, stability of the value of money is of paramount excellence, sinking all other questions into insignificance, and whereas, *Stability Desirable.* stability of the purchasing power and stability of the prices are other modes of stating the same economic fact, therefore, the great fall of prices is universal impeachment of monometallic money in its chief office.

Referred to the Committee on Resolutions.

By Mr. Phillips, of Indiana:

Resolved, That the propositions before this Convention for the issue of coin certificates will be fully covered by the full legal-tender paper currency which, under the existing decision of the Supreme Court of the United States, may be issued, under the laws of Congress, in any amount they can determine, and by doing all that gold or silver will do, as both a gold certificate and a silver certificate, and we will need no other.

Referred to the Committee on Resolutions.

By Mr. Phelps, of Illinois:

Resolved, That the free coinage of both gold and silver supplemented by legal-tender paper currency, limited only by the demand of the nation, will help to the restoration of the better condition of trade and commerce, which have been greatly crippled by the reduction from \$52 per capita to less than \$7.

Referred to the Committee on Resolutions.

By Mr. Brouse, of Indiana:

Resolved, That it is the sense of this Convention that when the National Bureau shall be organized they shall immediately take the most efficient steps to bring petitions to Congress signed by the voters of every Congressional district for the free and unlimited coinage of silver.

Referred to the Committee on Resolutions.

Mr. Symes, of Colorado, asked the unanimous consent of the Convention to move to refer the resolutions and remarks of Mr. Thompson to the Committee on Resolutions.

The Chair. The matter goes there under the rules.

Mr. Symes. If that is the case, and it is to be printed under our rules, my object will be accomplished.

The Chair. The request of the gentleman from Colorado is that the address be printed with the proceedings of the Convention, without objection that will be done.

Mr. Symes. If the Chair so rules my object is accomplished. The address contains the whole gist of the question, and may enlighten some of the Committee on Resolutions.

Mr. Phillips, of Indiana. Do I understand that under the rules the address will be printed?

The Chair. It has been so ordered. The next business in order is an address before the Convention by a gentleman whose services in the cause of silver has won him renown throughout the world. The Hon. R. P. Bland will now address the Convention.

The announcement was received by the Convention with a great deal of applause, such indeed, that Mr. Bland was unable for several minutes to proceed with the delivery of his paper. He was also frequently interrupted by applause, and the Convention again gave evidence of its enthusiasm at the close of his address. The paper will be found in full among the other addresses in these proceedings.

*Reception of
Mr. Bland.*

Mr. Walker, of Montana. Mr. Chairman and Gentlemen, I move three cheers for the hero of silver coinage in America.

The cheers were given with a will and appropriately acknowledged by Mr. Bland.

The Chair. The next order of business will be an address of Mr. Jordan, of New York.

Mr. Jordan was called to the stage, and referring to his paper in a few words requested that it be read by the reading clerk, which was done. This paper, which is printed in these proceedings, was also received with applause.

Mr. Nelson, of Indiana. Mr. President, I beg leave to offer for the consideration of the Committee on Resolutions a paper prepared by a very distinguished citizen of the State of Indiana, one of our ablest economists. I refer to the Hon. Isaac P. Morris, who is unable to be present here to-day. I beg that this document may be read, or such disposition made of it as may be proper. I will say, too, gentlemen, that it substantially represents the views of the Indiana delegation on the floor to-day. The paper was read and ordered printed.

A motion to adjourn to 2:30 P. M. was then made and amended to read 3 P. M.

The Chair, while recognizing that it was in the power of the Convention to adjourn to any hour desired, called attention to the fact that a number of papers had been pre-

sented to be read, and that much time would be needed for this, and for debate.

The Secretary, before the motion to adjourn was put, announced that delegates would be supplied with tickets good for any theatre in the city, and those having ladies or friends with them would receive additional tickets, to the number desired, on application.

A communication was also read from Mr. F. M. Crunden, Librarian of the Public Library, extending an invitation to the members of the Convention to visit the Library, and make use of the same and the reading room during their stay in St. Louis.

The Convention then adjourned till 2:30 P. M.

AFTERNOON SESSION.

Chairman Warner called the Convention to order again at 2:30 o'clock, when Judge G. G. Symes, of Colorado, was called to the stage, and read a paper *Presentation of Special Papers.* (published with addresses) on the subject "Has Gold Risen or Silver Fallen?" Chairman Warner also announced that at the conclusion of the address of Judge Symes, the Convention would be addressed by Senator Stewart, of Nevada. The remarks of Judge Symes were listened to with close attention, and were frequently interrupted by applause. Before the introduction of Senator Stewart a paper was handed the Chair from Mr. Hopkins, of St. Paul, Minnesota, and filed.

Senator Stewart was then introduced, and given a very enthusiastic welcome. He spoke at considerable length and with great earnestness, and was frequently compelled to stop and await the subsidence of the applause.

The Chair then announced a paper on "Honest Money," by Mr. E. D. Stark, of Ohio, and stated that he was advised that at the conclusion of this paper the Committee on Resolutions would be ready to report. Mr. Stark spoke at length, and his paper was listened to attentively.

A paper by Hon. H. B. Kelly, of McPherson, Kansas, on "The Growth of the Volume of Money Compared to the Growth of Production and Population," was presented and ordered printed.

The following, received by the Secretary, was then read:

A. SINGER, ESQ., SECRETARY OF THE NATIONAL SILVER CONVENTION, ASSEMBLED AT ST. LOUIS, MISSOURI:

*Industrial
Congress Reso-
lutions.*

SIR:—The following resolutions were unanimously adopted at the last meeting of the Industrial Congress, in Washington, voicing the sentiments of the

wealth producers of the United States:

WHEREAS, It is manifest that the people should have a larger volume of money to carry on industrial pursuits, therefore,

Resolved, That this Industrial Congress urges the unlimited free coinage of silver and gold, as a step in the direction of securing a sufficient volume of money for the uses of the people of the United States. Amended; and the coinage of \$4,000,000 per month of silver dollars now authorized by law. Unanimously approved.

Resolved, That it is the duty of this Industrial Congress to use every legitimate effort to defeat any aspirant for the speakership of the Fifty-first United States Congress, who is opposed to the full and free coinage of silver and gold.

Resolved, That we hail with the greatest joy the onward march of true civilization, and in clasping hands with our sister Republic of Brazil, we cordially extend to her our warmest congratulations.

F. E. WARREN,

Secretary.

A. E. REELSTONE,

President.

Mr. Bland. Mr. Chairman, the Committee on Resolutions submits the report of that Committee, with a memorial preceding the resolutions, while Mr. Weller, of Iowa, submits a minority report.

*Resolutions
Committee
Questions.*

There was some criticism by Mr. Scott, of Ohio, and others, as to the phraseology of the memorial accompanying the resolutions, to which Mr. Bland, being recognized by the Chair, said:

Mr. Chairman, I appreciate one or two remarks and criticisms as to this memorial. I am not quite sure that there is any great necessity of this Convention attempting any memorial whatever. I thought that one or two clauses of the report had been stricken out by the committee. At any rate, I think it due to the dignity of this body, and the subject before this Convention, and that of the august body, so to speak, to which we appeal, that the language of the report should not reflect upon any one in authority in this government. [Applause.] The resolutions in this report, Mr. Chairman, demand at the hands of the American Congress the free coinage of silver, and the restoration of the free coinage of the standard silver dollar, as it existed prior to the act of 1873, and that this shall not be postponed later than January 1, 1891, and in the meantime that the present law be enforced to the maximum amount of coinage. In this Convention we are calling upon the American Congress. Let it be done in a respectful manner, and they will listen with respect. There are some words in this preamble, while I agree most heartily with its sentiments, some words in it, which were criticised in the committee, and by none more than by myself. I had understood that those words were stricken out, and that the paragraphs containing them were stricken out. When the Secretary read those words and paragraphs as a part of the report, I thought that he must have made a mistake in his reading. I say that it ought to be stricken out, and hence, I appreciate the comments of the gentlemen who offer criticism on it. I don't know, as I said before, that a preamble is necessary. We have been hurried very much in the preparation of these resolutions and this report. We

were in session last night until 12 o'clock to get ready to report to-day. There are many members of the committee, and, of course, there had to be concessions and compromises all around, but I do not believe there is any member of the committee who will insist on language that is not dignified and worthy of the intelligence of this body. [Applause.] Hence, I shall make no opposition, as far as I am concerned, to any motion to strike out any language that is in any way objectionable.

Mr. Stark, of Ohio. Mr. Chairman, I move that the resolution be recommitted to the committee, for the purpose of being perfected, and brought back to this Convention.

A call was made from the Arkansas delegation for the reading of the report, in order that anything objectionable might be stricken out.

Mr. Guitar, of Missouri. There is probably not a man here who does not see that there are many verbal imperfections in this report, aside from the corrections which the committee itself has made. I, therefore, move that the report be recommitted, and brought back to the Convention at 9 o'clock to-morrow morning.

The motion was carried.

The following communication was read by the Secretary:

ROOMS OF THE WOMAN'S INDUSTRIAL LEAGUE OF AMERICA,
215 FOUR AND A HALF STREET, N. W.,
WASHINGTON, D. C., November 22, 1889.

TO THE CHAIRMAN OF THE NATIONAL SILVER CONVENTION,

ST. LOUIS, MO.: SIRs — I have the honor to send

*The Woman's
Industrial
League.*

you herewith a copy of preamble and resolutions passed at a meeting of the Woman's National Industrial League of America, held at their rooms

in this city on the 15th inst., and request that the same be placed before your Convention. Wishing you every success at your meeting, I am

Yours respectfully,

CATHERINE BERGAN,

Secretary Woman's National Industrial League of America.

WHEREAS, We, the members of the Woman's National League of America, are well aware that the signs of the times demand our recognition, not alone in the industrial and educational, but, also, in the financial world; consequently, the wage women of America, desire to take this occasion to emphatically declare themselves in favor of the restoration of silver to its former place in the financial world, as they firmly believe that the present low prices for the products of this toil, as well as the scarcity of money, is due to the demonetization of silver in 1873. By that infamous act, the farm industrial workers of our country are deprived of the just reward for their toil, and to the farming population of this country, numbering over 35,000,000 souls, their inability to purchase the products of the manufacturing classes has caused great depression in trade, which largely affects the 3,000,000 self-supporting industrial women of America; therefore, be it

Resolved, That this League declare that they are unanimously in favor of the free and unlimited coinage of silver, and that it shall be a legal tender for all purposes.

Resolved, That copies of the preamble and resolutions now passed, with a letter calling attention to the same, be sent to the Chairman of the Silver Convention, to be held at St. Louis, Mo., on the 26th of November, 1889.

CHARLOTTE SMITH,
President Woman's National Industrial League of America.
Attest: CATHERINE BERGAN,
Secretary.

WASHINGTON, D. C., November 15, 1889.

A communication was read from Mr. Charles Green, inviting the members of the Convention to visit the Club House and Grounds of the St. Louis Jockey Club, of which he is President.

Mr. Pixley, of California, offered a number of resolutions from the Committee on Resolutions, asking that they be placed in the record. The first was the *Special Resolutions Reported.* resolution and remarks presented by Mr. Utter, of New Mexico, proposing an act compelling the national banks to buy silver bullion and deposit it with the Government to secure their circulation.

The second was the resolution indorsing and accepting the law authorizing a conference between this Government and those of Mexico and Central and South American Nations, and especially that part looking to the establishment of a uniform system of weights and measures and a common coinage, and urging that subject on the Congress of the Nations alluded to, now assembled at Washington. The committee also recommended, through Mr. Pixley, the adoption of the resolution offered by Mr. Fitch, of Nevada, for the appointment of a National Committee and a National Executive Committee.

The Convention then adjourned to 9 A. M. Thursday.

THIRD DAY—THURSDAY.

MORNING SESSION.

The Convention was called to order at 9:30 A. M., by Chairman Warner.

Mr. Fitch, of Nevada. Mr. Chairman, I desire to offer a substitute for the resolution offered yesterday, which I understand was reported by the Committee on Resolutions.

The Chair. The Chair will state that this comes in as a *National Committee Provision.* part of the business of the Committee on Resolutions, but, if that committee is not ready to report, the Convention may proceed with executive business.

Mr. Fitch. I ask that the Secretary read the resolution.

The Secretary then read the resolution, as follows:

Resolved, That a National Silver Committee be appointed, to consist of one member from each State and Territory represented in this Convention, and one member from the District of Columbia, to be selected by their respective delegations, and ten members to be selected by the President of this Convention and the committee which called this Convention.

That said National Silver Committee be empowered to call another National Silver Convention at such time and place as it may select, and provide for the election of delegates thereto upon such basis of representation, and in such manner as it may deem expedient.

That said National Silver Committee be further empowered to provide for the organization of State and National Silver Leagues, for the printing and distribution of documents, for the engagement

of speakers, for such other measures as it may in its discretion adopt, to promote the purposes of this Convention, and for the collection of funds to defray the expenses of such work.

Said National Silver Committee shall meet and organize by the election of a President and other officers immediately upon the adjournment of this Convention.

Said National Silver Committee shall be further empowered to appoint from its own members an Executive Committee of nine members, of whom five shall constitute a quorum, who shall be vested with all the powers of the full committee, except the power to issue a call for a National Silver Convention, which power shall only be exercised at a meeting of the full committee called for that purpose, at which meeting a majority of said full committee shall be present either in person or by proxy.

It was moved that the resolution be adopted.

The Chair. The gentleman moves that the substitute now offered by the gentleman from Nevada be adopted in place of the resolution reported from the committee. Is the motion seconded?

Mr. Stewart, of Nevada. I second the motion.

Mr. Fitch. Mr. Chairman, the substitute I offer this morning differs from the recommendation made by the Committee on Resolutions, only in this:
Explanation of the Formation. Instead of this Executive Committee of thirteen being appointed by the President of this Convention and the Executive Committee which called this convention, it is provided that a committee, which may consist of nine members, shall be selected by the National Silver Committee itself; that is to say, that one member from each State and Territory, and the District of Columbia, and the ten members who shall be selected by the President of this Convention and the St. Louis Executive Committee, shall immediately upon the adjournment of this Convention meet, and from their number select an Executive Committee of nine, whose place of business is not indicated, but who will probably suggest the place best suited; and that committee of nine shall be vested with all

the powers of the entire committee, with the exception of the power to call a National Silver Convention, which power is left alone with the full committee at a meeting to be called, and where a majority of that committee shall be present. I do not myself think it wise at this time to designate a place under the instructions of this Convention, although Washington may be designated as the place for doing the work of this committee. I do not in some particulars like the atmosphere, so far as silver is concerned, of Washington, just at present.

Mr. Curtis, of California. I have no objection to the Executive Committee being selected at once, but how about the officers? Are they to be selected from the members?

Mr. Fitch. From the members.

Mr. Curtis. What objection is there to selecting the Secretary, for instance, outside?

Mr. Fitch. Oh, well, that is a clerical office. It is not necessary that the Secretary shall be a member.

The Chair. The amendment is in the nature of a substitute, and the motion is to adopt this in place of the original resolution. The question is upon the adoption of the substitute.

The substitute offered by Mr. Fitch was then adopted unanimously.

The following telegram was then read:

HELENA, MONT., Nov. 27th, 1889.

TO NATIONAL SILVER CONVENTION, ST. LOUIS, MO.:

WHEREAS, The National Silver Convention heretofore called to assemble at the City of St. Louis, in the State of Missouri, on November 26, 1889, there to consider and devise means to further and protect the interests of silver as a metal, and as a medium of circulation, has regularly assembled pursuant to such call, to the number of 350 delegates, among whom are delegates duly em-

*Expressions of
the Montana
Legislators.*

powered and commissioned by the Executive of Montana to represent the interests of this State in such Convention; and

WHEREAS, Montana has of late years been steadily and rapidly increasing her output of the precious metals, including silver, until she has become one of the chiefest; if not the chiefest, metal producing commonwealth in the Union; and

WHEREAS, Of these productions silver occupies the foremost place in the mining and reduction, giving employment to thousands of laborers and to millions of capital, and our number of producing silver mines could and would be many times increased could the present depression of silver be removed; and

WHEREAS, The chief cause of this depression is the restriction of its coinage and circulation as money, be it

Resolved, That we, the House of Representatives of the State of Montana, recognize the importance of the Convention and its deliberations to the people of our State, its power and the force of its utterances, as representing the rapidly growing interests and increasing resources of the West, to combat and counteract the gold sustaining and silver destroying combinations of Wall Street, and the extreme East, that we extend to them our hearty support in their efforts to sustain and remonetize silver, and to this end we call upon the delegates representing there the interests of our State, as well as all others having at heart the prosperity of the silver producing districts of our Union, to do all in their power to persuade the Convention to views favoring the unlimited coinage of silver, and to lend their hearty support to all measures that may be conducive to that end.

Mr. Walker, of Montana, moved that the resolutions from the Legislature of Montana be published with the proceedings, which motion was carried.

Mr. Curtis, of California. Mr. Chairman, I move that this Convention take a recess of five minutes in order that the delegates may select members to constitute a General Committee.

The Chair. Before entertaining the motion, or if the gentleman from California will withhold it for a few minutes, the Chair will then recognize him, there are some things of an executive character to be presented.

Mr. Grier, of Pennsylvania. Mr. Chairman, I have an address to this Convention handed to me by Mr. Cheeney, of Philadelphia, a delegate present, and prepared by Mr. John Thompson, of New York, in response to an invitation from the Executive Committee. I ask that it be filed and published with the proceedings.

Objection was made that the delegates should know what all papers contained before any action should be taken, but, Mr. Curtis' motion being renewed, the Convention took a recess for the purpose of selecting members of the permanent National Committee. On reassembling the Secretary called the roll, and the committeemen were announced as follows :

*The General
Committee.*

- Alabama—Alonzo Irwin, Selma.
- Arkansas—John G. Fletcher, Little Rock.
- Arizona—W. J. Cheeney, Tombstone.
- California—Jas. McCudden, Vallejo.
- Colorado—C. G. Hathaway, Fairplay.
- District of Columbia—Lee Crandall, Washington.
- Idaho—F. P. Cavanagh, Rocky Bar.
- Illinois—Wm. E. Phelps, Elmwood.
- Indiana—Thos. H. Nelson, Terre Haute.
- Iowa—L. H. Weller, Nashua.
- Kansas—W. M. Fortesque, Leavenworth.
- Kentucky—Yoder Poignand, Taylorsville.
- Missouri—John Doniphan, St. Joseph.
- Michigan—Benjamin Colvin, St. Charles.
- Montana—Chas. F. Musigbrod, Deer Lodge.
- Nebraska—Allen Root, Omaha.
- Nevada—Thos. Fitch, Reno.
- New Mexico—Sam. D. Baldwin, Santa Fe.
- New York—John Thompson, New York City.
- Ohio—A. J. Warner, Marietta.
- Pennsylvania—John A. Grier, Philadelphia.

Texas—Chas. Longuemare, El Paso.

Tennessee—Andrew J. Keller, Memphis.

Virginia—John L. Cochran, University of Virginia.

Utah—Wm. F. James, Salt Lake City.

Wyoming—M. N. Grant, Laramie.

The Chair. The next order of business will be the report of the Committee on Resolutions.

Mr. Bland. The Committee on Resolutions had a long consultation last night, and instructed the chairman of the committee to report back the resolution with certain alterations and amendments. It being considered, Mr. Chairman, that the importance of a memorial, and the attention and

The Resolutions Reported. labor necessary to put it in shape, required more time than could be taken to prepare it, and in order that the statistics and arguments necessary for such paper should be properly presented, the committee, not having time to perform this labor, instructed me to report to the Convention and ask the Chairman of the Convention to appoint a committee of five, who, in connection with the Chairman of the Convention, shall prepare, as early as practicable, this memorial for presentation to the Congress of the country. The resolutions were also somewhat modified. Instead of fixing any certain date for the resumption of free coinage, they demand that Congress, at its first session, shall provide for the opening of the mints for the free coinage of silver, and, in the meantime, the authorities shall execute the law in reference to the coinage of silver as it now exists. I will send the report of the Committee to the Secretary's desk for submission, and ask that it be read.

The Secretary then read the report of the committee as follows:

The National Silver Convention, held in St. Louis, Mo., November 26th, 27th and 28th, 1889, adopt this preamble and resolution as their deliberate opinion :

That the demonetization of silver worked a practical violation of every contract then existing in the United States ;

Entailed uncounted losses ;

Reduced prices more than 30 per cent, and

Its effect is practically to make debts perpetual, as it takes from the debtor the ability to pay ;

That it causes contraction in the currency, which reduces values until there is no profit left to the farmer, planter, or men of small capital, who depend upon the sale of their products for returns for their labor ;

That we believe the certificates of the Government, backed dollar for dollar by gold and silver coin, on deposit in the Treasury of the United States, is a safe and sound currency, and has been approved by the people ;

That considering the contraction caused by the surrender of National Bank notes during the past three years, and the vast sums that must be collected by the cancellation of Government bonds during the next three years, the necessity of restoring silver is as manifest as is the justice of such a policy ;

That the gold and silver of the West, pouring in a steady stream upon the East for forty years, vitalized every form of business there, steadied and upheld the credit of the Nation through the great war, and made resumption possible, and that what we now demand is as much more to the interest of the East than of the West, as the productions of the East exceed in value the productions of the West ;

That we believe in equal rights for gold and silver and free coinage for both, and that no Nation ever

had or ever will have too much gold and silver coin; therefore, be it

Resolved, That the Fifty-first Congress be requested by this Convention to provide at its first session for opening the mints of the United States to the free coinage of standard silver dollars, of the present weight and fineness, to be a legal tender for all debts, public and private, equally with gold, and that until such provision is made the Secretary of the Treasury be required to coin the maximum of \$4,000,000 worth of silver per month, as now authorized by law.

By Mr. Bland. On consultation with the gentleman from Iowa, Mr. Weller, he has stated that he desires his report and resolution to be printed as part of the proceedings of the Convention, and will have no further opposition to the adoption of the report of the majority. [Applause.] I ask that his views be printed with the proceedings of the Convention.

The Minority Report.

The Chair. The gentleman from Iowa will be at liberty, with the consent of the Convention, to withdraw his minority report, and the Convention can authorize the printing of it.

Mr. Weller, of Iowa. I desire that to be done in the interest of harmony and the work of the Convention.

The motion to print the minority report was carried. It is as follows:

Mr. Weller, of Iowa, respectfully submits a minority report of the full committee on the substitute to the sixth resolution, submitted by the gentleman from Colorado; and further submits:

1. That said substitute be amended, and its language modified by the adoption of the amendment submitted by him, reading as follows, to wit:

2. And that said amendment be by this Convention adopted as an indorsement of the system practiced from 1834 to 1873, to wit: A silver dollar of $412\frac{1}{2}$ grains, 9-10 fine, and a dollar of 385 8-10 grains, 9-10 fine, can and will float among the people, side by side,

each the equal of the other, by and before the courts of record of the government.

Mr. Bland, of Missouri. I now move the previous question on the adoption of the preamble and resolutions of the committee.

The motion was seconded.

Mr. Kerr, of Colorado. I hope that motion will not prevail. There are one or two words which
An "Unlimited" Amendment. I think should be inserted in the resolution, and one word is for the unlimited coinage of silver.

The Chair. The Chair is in doubt whether this motion is in order.

Mr. Bland. Do I understand the motion is in order? As a matter of course, if it is not, I shall not insist upon it; but if it is in order, I shall insist upon it for the purpose of having that matter, as well as any other matter, disposed of here.

Mr. Kerr. I hope Mr. Bland will withdraw the motion for the previous question. The whole spirit and aim of this Convention is embraced in these resolutions. If we have no opportunity of listening to them and disposing of them, we might as well go home.

Mr. Bland. I am willing, Mr. Chairman, to stay here until Saturday night. I believe I can get to Washington in time to perform my duties there. If it is desired by this Convention to throw the resolutions open to amendment again, we can make up our minds to remain here a long time yet. It is simply a matter for the convenience of the Convention, as I understand it. Hence, I have made this motion, in what I conceived to be equity to all, not only with respect to our convenience, but as a matter of justice to every delegate who has to remain here. I understand some left last night. Now, gentlemen, if the question is thrown open again, after being thrown back to

the committee for debate and amendment here, we will probably not get away before Saturday night.

Mr. Kerr, of Colorado. Mr. Bland proposes the idea or proposition that this convention has debated these resolutions, which have just been reported from the Committee on Resolutions, though there are a great number of the gentlemen on this floor who have not heard them read and do not know what they are.

The Chair. Does the gentleman yield to the gentleman from Missouri?

Mr. Kerr. I do not yield to anybody. I desire that some limit shall be placed on the debate here, in the interest of those gentlemen who are in such a hurry to close the proceedings of this Convention. As I understand it, there are

*The Amend-
ment Urged.*

no restrictions placed on the gentlemen who desire to go home. I have attended a great many of these gatherings in my life, and I never yet saw one in which there were not a great number of men who, just as soon as they had organized, desired a speedy adjournment to return to their homes. I know this is Thanksgiving day, and it recalls our homes to us vividly, with a desire to be with our families on this occasion. But a great public duty, Mr. Chairman, has brought us here. We have come here to fully digest and fully mature the sentiments of the West particularly, and of the country generally on this question. [Applause]. Now, sir, I want to say that the Committee on Resolutions to the National Silver Convention is only a suborganization, to crystalize and present in compact form the views of this Convention. This Convention has a right, and I think ought to have the privilege, of hearing the views of that committee, in order that we may fully digest them before we adopt them and go home. I am willing to stay here for a week longer if necessary, and I think my friends from Colorado who have come here are willing to

sacrifice that much more of their time in order that something practical may be accomplished to lay before the Fifty-first Congress. There are a number of other things in connection with this that forbid haste in this matter; we have not only to adopt resolutions that will be expressive of the wishes and the demands of the people upon this question, but we have also to provide for committees to go to Washington and remain early and late until Congress either accedes or refuses to meet the demands of the Convention. I wish to say, in all good conscience, I am through, and this is the last talk I will make on this subject in this Convention. I say to those of you who want to go home, in the name of God go home, but do not adjourn this Convention until we have accomplished some practical result. Let us see the resolutions and amend them; let us have an opportunity to do it; let us have an opportunity of expressing the wishes of our constituencies. Let us be heard. Mr. Bland we have heard fully, and I know every one in this Convention will be glad to hear from him again, and listen to him two hours more with reference to the silver dollar.

Mr. Bland. I can only submit the vote to the Convention, and let it vote it down or vote it up. I demand the previous question.

Cries of "Question."

The Chair. The Convention not having adopted any rules covering the previous question, the Chair will not decide the question of order, but submit the question to the Convention. If the motion for the previous question is voted down, then it will be in order to submit a proposition to limit debate, or any other proposition.

Information was then asked as to whether the question included the amendment containing the word unlimited, so that the concluding resolution would read:

That the Fifty-first Congress be requested by this Convention to provide at its first session for opening the mints of the United States to the free and unlimited coinage of standard silver dollars, of present weight and fineness, to be a legal tender for all debts, public and private, equally with gold, and that until such provision is made the Secretary of the Treasury be required to coin the maximum of \$4,000,000 of silver per month, as now authorized by law.

The Chair. The demand for the previous question, which has been made by the gentleman from Missouri, covers, as the chair understands, the amendment proposed by the gentleman from Colorado. Is that correct?

Mr. Bland. That is correct.

Mr. Stewart, of Nevada. I don't know that I understand precisely the question. Is it that of the gentleman from Colorado, who has moved to add the word unlimited?

The Chair. That is the amendment proposed.

Mr. Stewart. I do not think that is necessary, but many of the gentlemen here seem to desire it, and it can do no harm.

Cries of "question," and confusion.

The Chair. The Chair will do nothing until the Convention is in order.

A Delegate. I move, sir, that a vote upon that question be taken by a call of States.

The Chair. The Chair submits the question to the Convention. It is in the power of the Convention to sustain it or not. If the previous question is sustained all debate and further amendments will be cut off, but if voted down then

the resolutions will be open to discussion or amendment. All in favor of sustaining the motion made by the gentleman from Missouri, for the previous question, upon the resolution as amended by the gentleman from Colorado, will signify the same by saying aye.

*Brought to a
Vote.*

The vote being taken, the Chair declared the motion carried, when a division was called for.

The Chair. A division is called for.

Mr. Kerr. I rise to a point of order on the vote.

The Chair. The gentleman will state his point of order.

Mr. Kerr. The point of order is this; that the status of the voting is fixed by our rules, and we have no right to take a *viva voce* vote under that status unless by a two-thirds vote we change the rule of the Convention.

The Chair. The Chair thinks the point well taken. While without objections the vote might be taken as usual, the question being raised the vote must be taken by States.

Voices. The call is too late.

The Chair. That is the rule adopted by the Convention, and, since the point of order is made, the Chair has no authority to set it aside. The roll of States will be called.

Mr. Kerr. That is on the previous question?

The Chair. On the previous question; yes, sir.

The Secretary proceeded to call the roll for the previous question, with the following result: Ayes, 470; noes, 80.

The Chair. The demand for the previous question has been sustained. The question now is upon the adoption of the amendment offered by the gentleman from Colorado, inserting the word unlimited.

Mr. Bland. I move that the rules be suspended, and that we take a rising vote upon that question.

The motion being carried, a rising vote was taken, resulting in the adoption of the amendment by a vote of 135 ayes to 7 noes, the noes being
*The Amend-
ment Adopted.* West, of Ohio, Waite, of Illinois, Washburn, of Ohio, Carr, of Missouri, Barnes, of Illinois, Black, of Illinois, and Higgins, of Illinois.

The Chair. The motion now recurs on the adoption of the original resolution, as amended. How shall that vote be taken?

Voices. By States.

The Chair. The demand is that the vote be taken by States, and if it is insisted upon it will be taken in that way.

Mr. Kerr. I move a suspension of the rules requiring a vote by States.

The motion to suspend the rules was carried, and the resolutions, as amended, were adopted.

*Memorial Com-
mittee.* Mr. Bland. Mr. Chairman, in lieu of the memorial, I offer the following resolution, and on that I shall demand the previous question.

The Secretary read the resolution as follows :

Resolved, That the Chairman of this Convention be instructed to appoint a committee of five gentlemen who, in connection with the Chairman of this Convention, shall, at as early a date as practicable, prepare a memorial address to Congress and the country, upon the subject embraced in the resolutions of this Convention.

The resolution was unanimously adopted.

Mr. Bland. Mr. Chairman, I was not in the hall early this morning. I will inquire whether the other resolutions presented yesterday have been acted upon by the Convention?

The Chair. None have been acted upon except the resolution offered by the gentlemen from Nevada, respecting the National Committee.

*Pan-American
Coinage.* Mr. Bland. There was a very important resolution, calling upon this Government and the Pan-American Congress to consider the question of uniform coinage. I hope the Convention will adopt this resolution.

The resolution referred to by Mr. Bland was read by the Secretary, and on motion was unanimously adopted.

Mr. Guitar, of Missouri, offered the following resolution :

Resolved, That in view of the revolutions which have and are taking place in the public sentiment of the commercial world, touching the remonetization of silver and the establishment of the bi-metallic standard, it is the unanimous sense of this Convention that the contemplated National Exposition to be held in this country in 1892, will furnish a most fitting and opportune time and occasion for the holding of an International Silver Congress, in which all the commercial nations of the world shall be invited to participate.

2. That the Chief Executive and Congress are hereby most earnestly solicited and urged to take such appropriate action in furtherance of the object contemplated as may be in consonance with law and international usages.

3. That, under the direction of the President and Secretary of this Convention, properly authenticated copies of the foregoing resolutions shall be furnished the President and each member of Congress, and that such further publicity be given thereto as shall in their judgment best promote the objects proposed.

A Colorado Delegate. I hope that resolution will not be adopted exactly in its present shape. I would like to make a suggestion as to the calling of this Convention, that it be called to the City of St. Louis. I wouldn't want the Convention to be called in the City of New York.

A Voice. What is the matter with Denver? [Laughter.]

Mr. Guitar. Will the gentleman allow me to say a word. These resolutions contemplate the very idea that is suggested by my friend as to the time and place of holding the International Exposition in 1892. There is no question at least among the gentlemen from Missouri on this floor, but that St. Louis will be selected as the place.

Mr. Stewart, of Nevada. I did not hear very distinctly the resolution, but I understand the proposition is for an international consultation of some kind. In regard to this question, I am opposed to all international negotiations until the United States is placed upon the proper footing. [Applause.]

Senator Stewart's Position.

All efforts, heretofore, made in that direction have simply had a tendency to rivet the chain stronger all the time. [Applause.] Members of Congress have been manipulated solely in the interest of the bondholders, and submitting the question to them is simply to delude the people by telling them that they must wait for the action of other countries, which it is well known they can not do. We can not have the bondholders to co-operate with us. We have got to reach the people of Europe; they are the people who are suffering. If we could consult with them, it would be very well. Now, we being the only free people who can act upon this matter, let the free people of America act before we deal longer with the bondholders. [Applause.] I do not want to consult with commissioners who are junketing around and consulting with bondholders as to the best mode to prevent the remonetization of silver. [Cries of "Good."] This is an American organization, and what is to be done must be done in America. [Applause.]

Mr. Pixley, of California. In carrying out the suggestion made by the mover of this resolution, I will suggest that it be submitted to the Executive Committee to be appointed for carrying out the objects of this Convention.

The Chair. A motion to that effect would be in order.

Mr. Symes. Mr. Chairman, I wish to add my hearty second to the motion and what has been said by Senator Stewart. No man who has read carefully the history of

*The Protest
Emphasized.* the two International Congresses can come to any other conclusion than that these international conferences arranged to have a representation in them by the American people, have been represented exclusively, as a rule, by men who were dictated to by the bondholders of New York City and London. The American people ought to have indelibly impressed on their minds and memory that the ruling classes

of the British and other European empires have a different object in view when they legislate upon money economy, than when we legislate upon money economy. [Applause.] Their object and their principal purposes have shown their speeches and their statements, and the writings of their statistics, demonstrate that very clearly. All that they ask is as to what are the best means to accumulate wealth to add to fixed incomes, and to enable the British and other European empires to levy tribute upon the American people at large. We have a different object in view, and I would not have much respect for their greatness, their learning, their statesmanship, viewed from the standpoint upon which they move and act, if they did not advocate a policy that is in contravention of fifty million out of sixty million of the American people. [Applause.] Therefore, sir, as I said five years ago in the Atlanta Convention, and have repeated a great many times since, it is time that the American people understood this. This is their own matter, and to their own interest, and, as Mr. Bland so well said yesterday, the American people can paddle their own canoe upon the American question. [Applause.]

Mr. Guitar. I trust the courtesy of the Convention will permit me, as the author of that resolution, to explain to the Convention the purpose of it.

A Voice. Better withdraw it.

Mr. Guitar. No, sir. There is not a man here, I believe, who, if he understands the effect and scope of this resolution, will oppose it for an instant. In regard to our people, I agree with everything that these gentlemen have said in regard to them being dictated to by foreign nations and bondholders. The purpose of this resolution is exactly the reverse of what these gentlemen fear and think it contemplates. I am holding, gentlemen, that this country shall take the lead in this great silver movement. We have taken the

*Explanation of
the Object.*

initiative here. If we should adopt, as I believe we will, free and unlimited coinage in this country in the present Congress, we should demonstrate to the world that no evil effects can follow from it. If the ills and dangers which seem to have influenced the judgment of the Royal Commission in London shall be found not to exist, then we have educated public sentiment throughout the commercial world, and will bring those people to our standard by means of this education. What harm or evil can come of it, my friend asks? Do we want to send men to Europe to undertake to educate public sentiment there? No, sir, we want to bring delegates from Europe to this country and educate them here, and when it shall be demonstrated, as I believe it will be, within the next two years, that no ill can follow to this country, or any other, by the adoption of the silver standard, and permitting the free and unlimited coinage of silver, then the people will come to our standard and our views. And what will be accomplished? [Cries of "question."] Now, what is the ultimatum that the intelligent men of the civilized world desire to reach in regard to this proposition? It is to establish a national standard by which some fixed valuation in gold and silver shall be observed and respected throughout the commercial world, that a dollar in America will be a dollar in China, a dollar in England, and a dollar in France, or a dollar in any other civilized country where there exists a metallic representative of value. Can there be anything more?

A Voice. We don't want that, we want the American dollar.

Mr. Guitar. Is it not a step in the right direction?

Voices. No.

Mr. Guitar: Why not?

Cries of "Question."

Mr. Guitar. I say, Mr. Chairman, what I contemplate in the resolution is just what is contemplated in the move-

ment that we have inaugurated here to-day, the free and unlimited coinage of silver in America, and in every civilized country on the earth.

Cries of "Question."

The Chair. The question is called for.

Mr. Utter, of New Mexico. When the gentleman talks about educating foreign nations, I say let us try to educate ourselves before we try to educate Europe. [Applause.]

Mr. Reese, of Illinois. Mr. Chairman, I am opposed to any resolution looking to the appointment of a committee to confer with a commission from any foreign government with reference to the issue of coinage. [Applause.] I want to state that, while I concede the importance of the points suggested by the gentleman from Missouri, I want to call attention to the fact that we have control of the whole subject ourselves without any such reference. [Applause.] There is only one combination of states in Europe that have any ratio at all, and that is the states of the Latin Union. Their ratio is $15\frac{1}{2}$ to 1. Great Britain has no ratio, nor have any other state.

A Delegate. I rise to a point of order.

Mr. Reese. I will be through in one moment. What is the use of going over there and asking for a thing that they have refused repeatedly to concede. If we want uniformity of ratio, it is within our power to have it by adopting a ratio of $15\frac{1}{2}$ to 1. If we don't want it, we needn't adopt it. It is wholly within our power. There may be importance attached to the matter suggested by this resolution, but, if there is, the Congress of the United States is able to settle it without asking relief of any foreign power.

Mr. Guitar. Do I understand the gentleman to say that Congress can establish a ratio for other governments?

Mr. Reese. No, sir. But they can take the ratio that

they already have, and if they don't want it, they can make another ratio.

Mr. West, of Ohio, raised the question that these resolutions should go to the committee without debate.

The Chair. That was the order, but after the committee has reported and is discharged, the Chair thinks it is in order then for any member to offer or discuss resolutions.

Mr. Bland. I hope I will not be misunderstood by this Convention when I say that I concur in every word

that has been said in reference to a uniformity of coinage with European powers. We have

*Mr. Bland's
Position.*

already passed a resolution referring to the American Continent—rather recognizing the Monroe doctrine, in which I have great faith—and I may say, I have no objection to a uniform system of coinage on our American system. Let it be so. Now, I think that after having appointed, as this Convention has, a Committee on "Call," that this resolution belongs there. I see no objection to it, but I think that if, when the Convention met, we agreed that no extraneous matter should be introduced into it, we should adhere to that agreement. We have passed a resolution to that effect already. [Applause.] In other words, this Convention met to consider the subject of silver coinage for the United States, and to promote that end as speedily as possible. [Cheers.] This resolution is out of order, to some extent, under that portion of our proceedings or agreement entered into when we adopted that rule. I hope that this resolution may be referred to the committee appointed to take charge of this matter, and such matters of a kindred character as may come before the Convention.

The Chair. The motion to lay on the table takes precedence of all other motions.

The vote was then taken on the motion to lay on the table, the motion was carried and the resolution was declared laid on the table.

*Laid on the
Table.*

The following resolution, offered by Mr. Brown, was sent to the Secretary's desk and read:

Resolved, That 20,000 copies of the proceedings of this Convention be published, in pamphlet form, for general distribution, and that the delegates from each State and Territory be requested to furnish their respective Senators and Congressmen with copies thereof.

Resolved, further, That the Executive Committee that called this Convention have charge of the revising and printing of the proceedings of this Convention.

Mr. Curtis, of California. I move the adoption of the resolution as read.

Mr. Armstrong, of Missouri. Mr. Chairman, I suggest an amendment to that motion, to the effect that 1,000 copies be bound in book form, to be distributed to the members of the Convention, and that the members send them to the Congress of the United States in book form.

The Chair. Had not that better be left to the Committee having charge of it?

Mr. Kelly, of Kansas. I suggest that the proceedings of this Convention be bound in pamphlet form, instead of book form, to save expense.

The Chair. That, I think, had better be left to the Committee.

A Delegate. I suggest that a copy of the proceedings be furnished to every member of this Convention.

The Chair. That will be done.

The resolution was then adopted.

Mr. Parsons, of Illinois. Mr. Chairman, I have a resolution which I will read:

WHEREAS, There is to convene in this city during the coming week the representatives of two agricultural organizations numbering over 1,000,000 members; *Agricultural Conference.* therefore,

Resolved, That the Chair appoint a committee of three to present to those bodies the subject of silver remonetization, if by them deemed desirable.

The resolution was adopted, and the Chair appointed Mr. Parsons, of Illinois, Mr. Abiel Leonard, of Missouri, and Mr. William Sims, of Kansas, as the committee.

A paper was then handed the Chair by Mr. Buchanan, of Colorado, with the request that it be printed in the proceedings.

The Chair. The Chair will state that there are several papers, some of which have been prepared at the request of the committee calling this Convention, for the reading of which there has not been time. It seems proper that they should be provided for in the minutes, and there is no better way to do that than to refer them to the committee having charge of the printing and publishing of these proceedings.

Mr. Fitch, of Nevada. I move that the papers be referred to the Executive Committee, which is already empowered to prepare and publish the proceedings of this Convention.

This was objected to, and the fear expressed that something might be run into the proceedings which the Convention could not indorse. Mr. Fitch explained, however, that his motion did not require that all papers presented should necessarily be published.

The motion to refer the paper was then put and carried.

Mr. Nolan, of Missouri. I would like to inquire of the Chair, whether this Convention has fully disposed of the report of the Committee on Resolutions.

Mr. Bland. In answer to that, I would say that before this Convention adjourns, the Committee on Resolutions desires to report a resolution thanking the committee that called this Convention, and the people of St. Louis for the courtesy shown by them. I suppose that will be taken up in order. With that exception, I think we are through, as far as I know.

*Resolutions of
Thanks.*

Mr. Walker, of Montana. I have a resolution that I would ask the reading of for the action of the Convention.

The resolution was read, as follows:

Resolved, That the thanks of this Convention be, and are hereby extended to the Hon. A. J. Warner for his eminent and courteous discharge of his duties as President of this Convention, and to Mr. A. Singer for his indefatigable services as Secretary of the Convention.

The resolution was adopted with cheers.

Mr. Curtis, of California. Since we have arrived in St. Louis the delegation from California has been most hospitably treated. Our friends here have even gone so far as to print a diagram of our banner. On behalf of the delegation of California, I desire, through the President of this Convention, to present to the Mining Exchange of St. Louis the California banner. Its blue, sir, is the blue of heaven, its gold is the handmaid of your silver. Silver and gold are as necessary and useful each to the other as the bow unto the string is useless each without the other. Gold without silver is like one blade of shears; it takes two blades to make a good instrument for cutting. I was struck, sir, when we started from San Francisco in the night and arrived in the solid silver State, Nevada, in the morning at the unity of the people of that battle-torn State in behalf of silver. At every station at which we stopped the people assembled and cheered us, and encouraged us our mission to the National Silver Convention. Never before in my life have I fought in a cause which was unanimous. It has always been my misfortune to fight in the opposition. I was a delegate from my State to the great National Democratic Convention, assembled in this city last year. The demonstration in the State of Nevada by the people as we were coming here appeared to be enthusiastic and heartfelt, but I always thought that if, as we came into every

town, we could look around the corner, we would see them making faces at us and hooting us. [Laughter and applause.] But, sir, this time every man, woman and child in Nevada, Utah and Colorado was with us for solid silver. [Applause.] Two millions of souls with but a single thought, two millions of hearts that beat as one. [Laughter and applause.] It remains for me, Mr. President, to present this banner, through you, to the Mining Exchange of St. Louis, and may it live long and prosper with it. [Cheers.]

Mr. J. D. Abeles, President of the St. Louis Mining Exchange, was called to the stage and said:

Mr. President, on behalf of the Mining Exchange of St. Louis, I accept with thanks the banner of California, so gracefully presented. I am not a speaker, as so many of you here are, and my remarks must necessarily be short. I will guarantee, however, that this banner will be placed in the archives of our institution and will be properly guarded and cared for, and, at the meeting of the next National Silver Convention, should the gentlemen from California require their banner again, it shall be at their service. [Applause.]

Mr. Goodwin, of Utah. Mr. Chairman, as there is nothing more before the Convention, I think our time can not be more profitably employed than by listening to a speech from my friend, Mr. Fitch, and I will promise the delegates here that if they want to hear a more beautiful display of fireworks than St. Louis has ever yet had, if that is good Irish [laughter and applause], they will get it in this speech. I move the suspension of the rules, for the purpose of listening to the Hon. Thomas Fitch, of Nevada. [Applause.]

The motion was adopted, and Mr. Fitch was invited to the stage, from which he delivered a strong and character-

istic address, which will be found in full in this volume. He was frequently interrupted by applause, and was loudly cheered at the close.

The business of the Convention being resumed, the following resolution was offered and adopted:

Resolved, That the thanks of this Convention be extended to the press of St. Louis and of the country generally, and especially to the Associated Press and the official stenographers, for the able manner in which the work of this Convention has been presented to the people of the United States.

The announcement was made that closed carriages would be in waiting at the Southern Hotel at 1 P. M., to drive to points of interest in the city, the drive concluding at 6 P. M., at the Merchants' Exchange, where a Thanksgiving day collation would be spread.

The following resolution was offered and adopted:

Resolved, That the thanks of the Convention are due to the Executive Committee that called this Convention together, and to the citizens of St. Louis for the courtesy and hospitality shown the delegates.

A motion was made and unanimously adopted, tendering the thanks of the Convention to Mr. Joe J. Mullally, Chairman of the Entertainment Committee.

The following resolution was presented and adopted:

Resolved, That a vote of thanks is due Hon. John M. S. Egan, of Colorado, for his faithful services and assistance in promoting the National Silver Convention.

The Convention then adjourned to 4 P. M.

AFTERNOON SESSION.

The Convention was called to order promptly at 4 P. M. by Chairman Warner, who said:

GENTLEMEN OF THE CONVENTION—The first business to be laid before the Convention is the announcement of the

Committees, the appointment of which was left with the *National Committee Completed.* Chair and the Committee which called this Convention. The Secretary will please read the names of the National Committee. Perhaps it will also be well to have the names of the members selected by the delegates from the several States read, to be sure they are right.

The Secretary read the names as follows :

- Alabama—Alonzo Irwin, Selma.
- Arkansas—John G. Fletcher, Little Rock.
- Arizona—W. J. Cheeney, Tombstone.
- California—James McCudden, Vallejo.
- Colorado—C. G. Hathaway, Fair Play.
- District of Columbia—Lee Crandall, Washington.
- Illinois—W. E. Phelps, Elmwood.
- Indiana—Thomas H. Nelson, Terre Haute
- Idaho—F. P. Cavanagh, Rocky Barr.
- Kansas—W. M. Fortescue, Leavenworth.
- Kentucky—Yoder Poignard, Taylorsville.
- Missouri—John Doniphan, St. Joseph.
- Michigan—Benjamin Colvin, St. Charles.
- Montana—Chas. F. Mussigbrod, Deer Lodge.
- Nebraska—Allan Root, Omaha.
- Nevada—Thomas Fitch, Reno.
- New Mexico—Samuel D. Baldwin, Santa Fe.
- New York—John Thompson, New York City.
- Ohio—A. J. Warner, Marrietta.
- Pennsylvania—John A. Grier, Philadelphia.
- Texas—Charles Longuemare, El Paso.
- Tennessee—Andrew J. Kellar, Memphis.
- Virginia—John L. Cochran, University of Virginia.
- Utah—Wm. F. James, Salt Lake City.
- Wyoming—M. N. Grant, Larrimie.
- Iowa—L. H. Weller, Nashua.

Additional members of the Committee at Large appointed by the Chair:

- New York—Edwards Pierrepont.
- Illinois—A. E. Stevenson.
- Kentucky—J. McKenzie.
- North Carolina—Alfred M. Scales.
- Georgia—N. G. Hammond.
- Missouri—L. M. Rumsey.
- Colorado—J. M. S. Egan.
- Nevada—Francis G. Newlands.
- California—Frank M. Pixley.
- Kansas—J. W. Rush.

The Chair announced the following-named gentlemen as the committee for the preparation of the memorial address, beside the Chairman, mentioned in the resolution.

*The Memorial
Committee.*

- Pennsylvania—John A. Grier.
- Missouri—John T. Field.
- Utah—C. C. Goodwin.
- Virginia—J. W. Porter.
- Ohio—F. J. Scott.

Mr. Patchen. Mr. Chairman, I move that this Convention be now adjourned *sine die*.

The Chair. Is there any further business before the Convention?

There being no response, the Chair said: I desire to express my obligations to the Convention for the aid given me in the transaction of the business of this Convention, and for the kindness and courtesy manifested toward the Chair during the deliberations. If there is no further business before the Convention, I will declare the First National Silver Convention adjourned *sine die*, and I hope that the work we have begun here will fructify and bear fruit throughout the whole country. [Applause.]

ADDRESS AND PAPERS.

The addresses and papers that follow present the views of a number of well-known and well-informed gentlemen. Some of them were prepared at the invitation of the Executive Committee which called the Convention, and which made the preliminary arrangements. Others were suggested by the gentlemen presenting them as the questions considered seemed to them to demand their attention.

The Printing Committee has also thought it advisable to preserve in this publication the call under which the Convention was held. It has attracted widespread attention, and is believed to present the issues of the day in a clear and forcible manner.

In the addresses these questions have been considered very generally. They are treated from every standpoint, according to the information of the writers, and are submitted in the hope that they will be carefully read and digested.

THE CALL FOR THE CONVENTION.

TO THE PEOPLE OF THE UNITED STATES:

The promoters of this Convention earnestly believe that the subject to be discussed and the objects sought to be attained, to-wit: the rehabilitation of silver as one of the money metals of this country, as contemplated by our Federal Constitution, are matters of the supremest moment to the welfare of our people, and of vital interest to mankind the world over.

Since the demonetization of silver by the leading nations of the old world, followed by the same movement on the part of the United States, we have seen a correspondingly steady decline in prices of commodities everywhere; a depression in trade and business enterprises almost unparalleled in history.

*The Result of
Demonitiza-
tion.*

We have seen in this country a financial panic (that of 1873-4), following closely upon the suspension of the coinage of silver by Germany, France, the Latin Union, and the United States, such as never before in our history crushed the spirit of our people.

This demonetization of silver, worked by law, a practical confiscation of the earnings of labor, the products and property of debtors, and transferred them without adequate consideration to the coffers of creditors, and depressed the markets for labor and its products throughout the world.

Although in this country there has been a partial restoration of silver coinage by the Act of February 28th, 1878, yet that Act, which authorized and required the Secretary of the Treasury to purchase and coin not less than \$2,000,000 nor more than \$4,000,000 worth of silver bullion per month, has not

been executed in the spirit in which it was enacted. The minimum amount of only \$2,000,000 per month has been the constant and almost unvarying rule governing the Treasury Officials in the purchase and coinage of silver bullion, by virtue of this law. The consequence has been

*Spirit of the
Remonetization
Act.*

that all commodities, measured in terms of money as fixed by an arbitrary gold standard, have declined from year to year till the present time.

The panic of 1873-4 still lingers with us. Now and then short revivals of business prosperity have taken place, but they were of very short duration and were quickly followed by long periods of lower levels in prices.

Thoughtful men and the ablest political economists of this and other leading nations, have called attention to the fact, that the suspension of the use of silver as one of the money metals, has been the main, if not the sole cause, of this trade stagnation. Such was the opinion of the United States Silver Commission of 1876, and of the Royal Commission of Great Britain in its report in 1888, as well as of the ablest economists of the entire commercial world.

Trade Stagnation, Cause and Remedy.

In this opinion we fully concur. The question is, "What shall be done?" We believe that our Senators and Representatives in Congress should be urged to restore silver to its ancient use as money, by giving it free coinage. This will place it on an equality with gold, and we believe at a par with that metal. Until this is accomplished, it should be earnestly insisted upon that the maximum amount of \$4,000,000 worth of bullion should be coined per month.

This is not demanded in the interest of the silver miner, although that interest adds nearly \$50,000,000 annually to our wealth, and that, too, in face of the fact that it is practically outlawed by our government in its mint regulations.

We produce nearly half of the annual silver product of the world, and surely it can not be reasonably complained of, that this mining interest will be benefitted by its use as money when we reflect that from time immemorial, it has by all nations, until recently, been so used, especially when we contemplate the direful effect this demonetization

A Metallic Money Basis.

has caused. Vast as this mineral wealth is, permeating as it does the mountains and plains of our great Western States and Territories, yet, it is a mere incident to be entirely subordinated to the great question of the metallic basis for our circulating medium.

That the stock of gold in the world is wholly insufficient as a basis for its money, all now admit. That silver must

be restored, the thoughtful statesmen of this and other countries declare to be, the pressing monetary reform.

It is to this view of the question we are constrained to invite discussion by the Convention. It has been our aim to state as succinctly as possible what to us appeared to be the paramount necessity for calling the Convention; its objects, and remit to the intelligent delegates who will compose the Convention, the discussion of the more intricate, economic problems involved, as well as the details of the mode of procedure. Yet, we cannot refrain from calling the attention of the Convention and the country to one or two other important considerations in this connection.

It is susceptible of proof, that the demonetization of silver operates, year by year, as a means of enabling England to constantly depress the prices of our wheat, bread-stuffs and cotton, articles that constitute nearly two-thirds of our export trade. For the truth of this statement we make the following suggestions, coupled with statistics:

Demonetization Gives Power to England.

The population of India is about two hundred and fifty millions. India is governed by Great Britain. For the boon of this government England charges India about eighty millions of dollars annually. England, in August, 1873, for a purpose to us not then but now apparent, demonetized gold in India, and established there the single silver standard. Germany, the United States and France suspended the coinage of silver. That metal was thus driven to the mints of India, where it found free coinage, and where it had not, and up to this time has not, lost its purchasing power as compared with gold. Now, this eighty millions due annually from India to England, is paid by drafts drawn upon the Council of India. These charges are payable in London, where gold only is legal tender; hence are payable in that metal. India cannot afford to send silver to England to pay these drafts, because when silver reaches London it is not money but depreciated bullion. Consequently Indian merchants buy up all the wheat, cotton and bread-stuffs possible, and ship these articles to London and sell them to procure the gold, with which to liquidate these Council drafts. And so it is with the interest on debts owing to English investors for the construction of railways and other enterprises in India.

Thus the production of wheat and cotton is stimulated in India as a means of export to meet foreign payments.

*Effect on Wheat,
Cotton and
Corn.* This has enormously increased the export of wheat and bread-stuffs from India to England. It has the further effect of lowering the price of wheat in England, for the lower the price of silver in London the more of it gold will purchase. Silver not having lost its purchasing power in India will buy as much wheat as ever. Consequently, to say that gold will buy more silver this year than last, is synonymous to say that gold will buy more wheat this year than last.

The fact is, and statistics prove it, that wheat, cotton and silver have uniformly and steadily declined together.

Again, silver being worth more as money in India than as bullion in England, it is imported into India for the purpose of employing laborers in building railways and in opening up wheat and cotton fields, so that India is not only destined to drive us out of European markets, but it is claimed, can at this time place wheat in New York, and even Chicago, cheaper than we can raise it.

Thus the gold standard and our hostile action towards silver, is steadily depreciating that metal and driving it to India, there to employ Hindoos to raise wheat, corn and cotton in direct competition with the agriculturists of America. By this means the cheap Hindoo laborer is made a favored competitor of our own farmers and laborers. Nearly fifty-two million dollars of silver thus outlawed in other countries, is sent to India.

We believe that the free coinage of silver in the United States, will restore it to its former parity with gold, and thus correct the evils here complained of. For when the parity between silver and gold is restored, there can no longer be a speculation in buying silver to stimulate the production of wheat, cotton and bread stuffs in India.

Cheap silver has reduced our wheat exports from one hundred and fifty-three millions, two hundred and fifty-two thousand, seven hundred and ninety-five (153,252,795) bushels at \$1.20 per bushel, equal to one hundred and ninety million, five hundred and forty-six thousand, three hundred and five (\$190,546,305) dollars in the year 1879, to forty-five millions, nine hundred and fifty-six thousand, two hundred and

*Reduction of
Wheat Exports.*

sixteen (45,956,216) bushels for the fiscal year just closed with June last; and its export value has fallen from \$1.20 per bushel to ninety (90) cents per bushel. Thus the one hundred and ninety millions, five hundred and forty-six thousand, three hundred and five (\$190,546,305) dollars of 1879, are down to forty-one millions, two hundred and thirty-four thousand, seven hundred and seventy-nine (\$41,234,779) dollars. We have not only reduced our exports by seventy-three per cent, but we have in value reduced it thirty-three and a third per cent besides. Going down grade seventy-three per cent in exports and thirty-three and a third per cent in value, is a startling proposition worthy of the serious consideration of the American farmer. We could give further statistics showing this steady decline from the date of the demonetization of silver, but stating this fact will call attention to the whole subject.

St. Louis, situated as it is in the heart of our great agricultural districts and adjacent to our mining States and Territories, easy of access from every quarter on account of its transportation facilities, has been deemed the proper place to hold this Convention. It is, therefore, decided to call the Convention to consider the subject matter herein stated to meet in St. Louis on the 26th of November next.

To attain the objects stated in the foregoing call, the
Basis of Representation. Governors of each State and Territory are herewith empowered to appoint as delegates to this convention, twenty (20) delegates and twenty (20) alternates, representative men favorable to the discussion of the objects of this Convention.

The Executive Committee of the promoters of this Convention reserve the authority of appointing 100 delegates at large from the United States, distinguished citizens, who may not be appointed by the Governors of their respective States and Territories, whose powers as delegates, shall be equal in every respect to those appointed by the Governors.

JAMES CAMPBELL,
Chairman.

L. M. RUMSEY,
JULIUS S. WALSH,
FRANK GAIENNIE,
GEORGE TAYLOR,
Committee.

ADDRESS OF WELCOME.

BY GOVERNOR D. R. FRANCIS, OF MISSOURI.

MR. CHAIRMAN AND GENTLEMEN OF THE FIRST NATIONAL SILVER CONVENTION—As the Chief Executive of this Commonwealth, the pleasant duty has been assigned to me extend to you upon behalf of our government a cordial welcome to our borders.

The assembling of such bodies of representative men from all sections of the country as is here convened, to discuss one of the most important questions of the day, and to give expression to well-digested views thereon, is the proud privilege of the people of this Republic. The discreet and fearless exercise of that privilege serves to mould and crystalize public opinion, and the directing of it in proper channels aids and insures the perpetuity of a government of the people for the people. Conventions of such a character are always accorded a hearty welcome in Missouri, when, as in this case, they are composed of thoughtful, intelligent men, honestly and earnestly seeking to promote the best interests of the country, broad enough to rise above purely selfish aims, and far sighted enough to realize that the preservation of all interests is dependent on the welfare of the the masses, and that the unchecked greed of classes will inevitably result in the ultimate detriment and downfall thereof, the good citizens of this great Commonwealth not only extend to them a cordial greeting, but proffer them the right hand of fellowship and cheer them with a hearty God-speed!

You are met to consider a living issue — yea, one which is live and pressing, and second in importance only to the

great question of taxation, which most concerns peoples of all nationalities, all races and all climes.

Extent of the Issue.

For ages two precious metals, gold and silver, have been the most generally accepted circulating mediums, and have been almost universally acknowledged as standards of values. When, less than two decades ago, Germany—having become enriched by the payment of a large tribute from defeated and humiliated France—attempted to demonetize silver, our own government, thoughtlessly or ill-advisedly, endeavored to follow the baneful example. Both efforts were unsuccessful, and to-day we find silver passing current in Germany as a legal tender, whilst, in our own country, behold the unprecedented spectacle of a government buying from its own citizens at 75 cents a commodity which it pays out as 100 cents.

In the meantime the surplus product of our mines, which regulates the value of the entire yield, is sold to

Advantage Given England. England, America's strongest competitor in manufacturing, at its bullion value, and is used by England for the purchase of wheat

and cotton at its coined value in India, which is about 33 per cent higher. India is our great rival in the production of wheat and cotton, and the agricultural classes of our country have suffered untold losses by the competition of that country during the past ten years. It is evidently to the interest of England to keep down and still further depress the price of silver. In considering the use of silver as a medium of exchange its intrinsic worth as a precious metal should not be lost sight of. Statisticians claim that the total world's coinage of silver in every one of the past seven years has annually exceeded the entire world's production of silver for the year. The average annual production of silver for the past seven years has

Production and Consumption. been below \$118,000,000. The yield of our own mines in 1888 was in excess of \$59,250,000, or over half the total product, whilst the entire yield of Europe does not equal \$10,000,000 per year.

China and British India together absorb \$62,500,000 annually, whilst the industrial arts of Europe and the United States consume \$21,000,000, leaving only about \$33,000,000 for annual coinage. These are but a few of the im-

portant facts that enter into the determination of this great economic question.

I shall not attempt here to forestall or forecast your action. The time you have selected for your conference is most opportune. The law-makers of the nation are about to assemble, and they cannot but be strongly impressed by the views and conclusions of so influential a body of their constituents, as compose this national silver convention. Furthermore, there is now in session at our national capital a Congress of all the independent American nations, the countries which produce nearly all the silver of the world.

Time for Agitation.

That Congress should, and no doubt will, recommend a standard silver dollar which will pass current from Alaska to Patagonia.

The sentiments of this Convention, expressed conservatively, but in no uncertain tones, will exert a beneficial influence over the deliberations of the International Congress and of the National Congress as well. That you have exercised good judgment in holding your first Convention here in the heart of the country, in the center of production, the center of population and the center of transportation, no one can deny. In the name of the good people of Missouri, I welcome you to her borders. Whilst neither first in population or representation in the national councils, she is second to no State in the magnitude or diversity of her resources or the whole-souled hospitality of her people.

THE EFFECT OF FREE COINAGE.

BY HON. R. P. BLAND, OF MISSOURI.

What would be the effect of the free coinage of silver by the Government of the United States?

*Relieve the
Poor.*

This is not a new question, nor is it lacking interest because it is not new. The silver question, like the poor, we have always with us.

The free coinage of silver will settle the silver question and very greatly relieve the poor. It is said that silver is the money of the poor man. This saying is not without reason.

Silver constitutes for the most part that vast sum of money in the world called subsidiary coins, the fractional or small change that marks the transaction of retail trade the world over. In this sense it is the money of the poor. It is also the money that serves the convenience of the rich. To undertake to go back in history to the time when silver was not money or the medium of exchange, would be to attempt the impossible.

*First Money
Guide.*

It was silver, like the moon rising majestically in the East, that first penetrated the darkness and gloom that mysteriously shrouded the human race and pointed out to mankind the way to the world's trade and commerce, civilization, science and art. Those periods in the world's history marked by the greatest out-put of the precious metals, gold and silver, are the periods of the greatest prosperity in wealth, the most rapid strides of elevation and intelligence. Gold came more actively into use as nations grew richer. Its production per weight was less than silver. In proportion to bulk, therefore, it has always been esteemed the more precious



metal, probably for the same reason that diamonds are considered still more precious than gold. Consequently silver and gold have been money, interchangeable at some agreed ratio. For the last two hundred years this ratio has been about $15\frac{1}{2}$ pounds of silver to one of gold, at least since France, in 1803, adopted this ratio, and until 1873 the parity of the two metals at that ratio was maintained.

Germany decreed the gold standard in 1871, from 1857 till this decree she was on the silver standard. The United States demonetized silver in 1873, and France limited its coinage in 1874, and finally suspended it in 1879. This hostile legislation broke the parity, and since then gold has steadily appreciated while silver has remained stationary or, perhaps, has also slightly appreciated. To emphasize the statement that France, by free coinage, maintained this parity from 1803 till 1874, let us call attention to the fact that the demonetization of Germany and of the United States did not break the par. That it was not dislocated till France limited the coinage of silver in 1874. It is thus pointed out how one nation alone was able to maintain both metals at par by the free or unlimited coinage of both at her mints.

It is very generally agreed among writers upon the subject, as well as statisticians who have examined into it, that since the demonetization referred to, gold has appreciated at about the difference between the value of gold and silver bullion. *Gold Appreciated.* It is also generally admitted that silver, in silver standard countries, will buy as much of commodities as before, if not more. It is also generally agreed that the repeal of this hostile legislation by these several nations would restore the status quo.

The only question with bi-metalists in our country is whether we should at once repeal our demonetization laws or wait for the concurrence of the other powers, including Great Britain. It is a significant fact that you will scarcely find a man in public life to-day who will assume the responsibility of contending for the single gold standard. *The Change of Sentiment.* When the act of 1878, to restore to the coinage the standard silver dollar, was pending there were many in both houses of Congress who

expressed themselves unequivocally in favor of the single standard of gold or who regarded bi-metalism as an absurdity—an impossibility. They have all, or nearly all, subsided or fallen into the ranks of those who are timid in the silver faith, and desire to halt till some league or treaty can be had with the other nations referred to for the free coinage of silver. I am in favor of paddling our own canoe on this as well as on all other subjects. If we have enacted bad laws let us repeal them. It is not necessary to ask the advice or concurrence of other countries. Especially should we repeal a law that has been so universally condemned as the demonetization act of 1873. As far as I can now recall, every man in either house of Congress who participated in the passage of this act, has protested that he did so in utter ignorance of its effect. The President who signed the act afterward expressed his desire to see silver come again into general circulation as an aid to specie resumption, evidently ignorant that his own hand had signed the decree against it.

No matter whether the interested few who engineered this legislation meant well or not, it was practically a fraud upon Congress and the American people.

*A Clear Cut
Fraud.*

The act contains sixty-seven sections. Its title is "to revise and amend the laws relating to the mints, assay offices and the coinage." At that time we were on a paper basis, and the subject of coinage was not so likely as now to attract general attention. The only important change in the law was the part of it that dropped silver from the coinage and made the gold dollar instead of the silver dollar the standard of value. The silver dollar, $412\frac{1}{2}$ grains of standard silver or $371\frac{1}{4}$ grains pure silver, had always up to that time been the unit of account, the standard of value. Had the title of the act made known this purpose then no one ought to plead ignorance of it, but it studiously avoided doing so. Section 15, approaching midway of this cumbersome act, provided for the coinage of the trade dollar of 420 grains of standard silver for the half-dollar, quarter and dime. They are made a legal tender for only \$5. The full legal tender standard dollar is not named at all, but wholly ignored. Section 17, provides that no coins, either gold or silver or minor coinage, shall be issued from the mints other than

those of the denomination, standards and weights therein set forth.

This was a clear-cut prohibition of the coinage of the standard silver dollar, for that had not been named either in denomination, weight or standard. The stab in the dark of the monetary assassin is here brought to view. The whole thing is accomplished by indirection, both as to title and context. This act bears all the ear marks of stealth and cunning. Had the title of the act declared its purpose to be to make gold the sole standard of value and to demonetize the silver dollar it would have been an honest declaration of its purposes. But this would have given the alarm, the hand of the assassin would have been paralyzed.

Shall this act stand? Congress has already said it should not wholly stand. The act of 1878, restoring the standard dollar to the coinage was a protest against it. A mild protest, it is true, yet a protest that has been the subject of vehement abuse and attack by the enemies of silver, and especially by those interested in the evident purposes and results of the act of 1873 demonetizing silver. They made grave prophecies that this restoration of silver would drive from us our gold. Yet we have to-day 500,000,000 more gold than we had when this act of 1878 was passed. They further declared that silver would not circulate; the people did not want it and would not take it. Yet we have coined about 350,000,000 of standard dollars, nearly the whole of which is in circulation, either as coin or the certificate. We had not coined over 50,000,000 when the Secretary of the Treasury expressed his opinion that that sum was all the country would absorb at a par with gold, and recommended further measures looking to its curtailment and final suspension of its coinage. From year to year,

False Alarms. these false alarms have been sounded in the ears of the American people. But they and their Congress have learned by bitter experience that no ear should be given to this cry of "wolf." The coinage was not suspended; all the silver goes actively into circulation at par with gold, the only complaint that people make is that they have not a sufficiency of it. What a commentary upon the doleful predictions of these false

prophets! As I said in another place upon this subject, if we had a law, such as the old Jewish law, which took false prophets to the gates of the outer wall and stoned them to death, we would not have a single one of these false prophets, gold worshipers and alarmists left to further resist free coinage.

But let us recur to the demonetization legislation of 1873. We were then on a basis of credit money at a depreciation of about 12 per cent. Our financiers and

Resumption. statesmen were predicting and looking forward to an early resumption of specie payments, but a specie payment based on gold and silver. Germany had demonetized silver in 1871, but this need not have excited any special alarm, for she had demonetized gold in 1857 without in the least disturbing the monetary par. Our mines were then, as now, rich in both silver and gold. We were again just entering upon the coinage of silver. In the year 1870, we coined of standard silver dollars \$588,308; in 1871, \$637,929; in 1872, \$1,112,961; in January and to February 12th, in 1873, \$977,150. This shows a steady increase of the flow of silver to our mints, which were up to February 12th, 1873, open to free coinage of that metal, as well as gold. During January and up to the 12th of February, 1873, as is shown, we coined nearly a million of standard silver dollars. With these facts before us, we may be astonished that the coinage was cut off. Silver had not depreciated below gold, nor do we believe it would have lost its par had we continued its coinage. It did not lose its par till a year afterward, or until France limited its coinage. We have every reason to believe, that had we continued free coinage at our mints, France would not have limited or finally suspended the coinage.

What followed this insane legislation of 1873 we know full well. It was not more than six months after we demonetized silver till we found our country in the throes of a financial panic, the most disastrous in our whole history. Banks all over the United States, with few exceptions, closed their doors against their customers and the public. Men and women, rich and poor, who had money on deposit were unable to get it. You could not get your own money nor could you borrow. Confidence had fled. Disaster and ruin was

The 1873 Legislation.

written in the faces of the people everywhere. Money could not be had. Those who were so unfortunate as to have debts to pay had no other recourse but the bankrupt courts. Their dockets were crowded with litigants. They were in name, courts of bankruptcy, but in fact they were courts of confiscation, where the property of debtors was taken and turned over to creditors without consideration. It is not claimed that the demonetization of silver alone caused this panic. There were other contractions of the currency in progress. But the probabilities are that had we left our mints open to the free coinage of silver there would have been, as we have shown, a constant and heavy increase in the coinage of the silver dollar to counteract the effect of paper contractions. This would have won universal confidence. It would have done the very thing President Grant was so desirous of seeing done, that is the rapid return of silver to our circulation. A thing he unconsciously prevented by signing the act of 1873. But for this act we would have resumed specie payments much earlier than we did, and without the disasters accompanying it. Indeed, it may well be doubted whether we would have resumed at all except for the aid of silver coinage provided for in the restoration act of 1878.

*Effect of Con-
traction.*

If the partial restoration of silver has been beneficial as far as tried ; if all the prophecies of evil concerning it have proven false, why not give it full scope to do its perfect work? If a part of it is fit for coinage, why not the whole? Here again we are confronted with objections, not by the gold men alone, but also on the part of professed bimetalist. One objection is that free coinage would give the silver miner the benefit of the difference between the value of silver and gold. That difference being nearly 30 per cent, it is claimed would be a great boon to the silver miner. If free silver coinage would do that it would first have to do just what these same objectors strenuously insist it would not and cannot do, to-wit: Restore the parity of the two metals. The only serious objection to the free coinage of silver that has been urged, and is now urged, is that it is depreciated as compared to gold. Unless the free coinage bridged over the difference in the value of gold and silver, the conten-

*An Imperfect
Work.*

tention that the silver miner would profit to the extent of the difference now existing between the two metals, can not be maintained. It can, however, well be maintained that he would not be the gainer to that extent, admitting that the parity would be thus restored. Unquestionably the free coinage of silver would give a greater demand for that metal and greatly lessen the demand for gold, consequently silver would appreciate and gold would depreciate. It may be assumed, for illustration, that silver would appreciate 15 per cent, and gold depreciate 15 per cent, thus meeting each other half way. In that case the gold miner would lose 15 per cent, and the silver miner gain 15 per cent. There is as much reason for saying that the great reduction in the demand for gold caused by silver competition would reduce the value of gold 30 per cent, as to say it would increase the value of silver 30 per cent, yet if gold fell 30 and silver rose 30, this would bridge over a difference of 60 per cent, and place silver 30 per cent above gold. That the silver miner would gain is certain and that the gold miner would lose is equally as certain, but in what proportions is a matter wholly in the region of conjecture.

In this connection it should be noted that in so far as anything can be established by statistics and patient investigation, the fact that silver has not fallen at all, and will buy as much of commodities now in all silver using countries as ever, is fully proven. In fact, I do not know that it is anywhere disputed. The weight of testimony shows that there has been a slight appreciation of silver, notwithstanding its demonetization by the countries heretofore named. On this point we give statistics found on page 17 of "The Final Report of the Royal Commission," appointed to inquire into the recent changes in the relative value of the precious metals; year, 1888.

The tables are arranged to show the prices of commodities measured in gold at different periods. I shall confine myself to that portion bearing directly upon prices in 1873, the date of silver demonetization, and the last years given, to-wit, 1887 and 1888. One hundred is taken for the average price and basis for index number. The *Economist* gives prices in

Effect on the Miner.

Silver Not Depreciated.

*Prices 1873-77
-78.*

1873 at 134; in 1888 at 101, a decline of 33 per cent. Dr. Soetbeer gives in 1873, 138; in 1887, 103, a fall of 35. Mr. Palgrave gives in 1873, 104; in 1887, 73, a fall of 31. Mr. Sauerbeck gives in 1873, 111; in 1887, 68, a fall of 33 per cent. Mr. Giffin gives prices of British exports in 1873 at 132; in 1886, 82, a fall of 50 per cent. The same author gives British imports in 1873 at 107; in 1886, 74, a fall in prices of 33 per cent.

Most, if not all, of these statisticians are advocates of the gold standard. Their figures cannot be claimed as having been brought forward by silver advocates.

Fall in Gold Prices. The fall in gold prices since 1873 is here shown to be on the average of over 33 per cent. Commodities, therefore, as measured by gold have fallen in price over 33 per cent, or in other words, gold has appreciated 33 per cent. Silver, as compared to gold, has not fallen below 30 per cent. This fact confirms the view elsewhere admitted in this report of the Royal Commission that silver, as measured by commodities, has not fallen. [See page 18, paragraph 52.]

It also shows the truth to be as claimed by some of the writers that silver has slightly appreciated, measured by commodities. In other words, the testimony is overwhelming that notwithstanding the suspension of its coinage by Germany, France

Strength of Silver. and the United States, silver will purchase more now than in 1873. It is claimed, and I think abundantly shown by the facts, that prices are lower now than at any time in the present century. Thus silver will buy more of the necessities of life than at any time for a generation past. [See same report; page 17, paragraph 51.]

These are startling facts and must go far in disabusing the popular mind of the fallacy that silver is cheap—that it has depreciated—when in truth and fact it has not depreciated, but just the reverse.

Why, then, should we be frightened out of our wits by the selfish cry of the money power that silver is cheap—depreciated? That free coinage would drive

The Old Silver Standard. us to the silver standard, etc. Why, bless you, we had the silver standard for three-quarters of a century, the silver dollar was the standard of value, not the gold dollar as now. It is true that the later

years of this period we coined more gold than silver, and gold constituted the greater part of our metallic money, but this occurred by reason of gold at our ratio being the cheaper metal for us to use. If silver is now cheaper than gold, the same reason would, no doubt, now cause us to coin more silver than gold and to use more of it than gold. But what of that? It is better than gold as a standard—so shown by its not varying like gold has fluctuated and is fluctuating.

But we do not insist on the single standard of either metal. We demand the money of the Constitution, the free coinage of both gold and silver. If more silver is coined than gold we are not hurt, for there are more than five times the number of people of the world who use only silver as money than use only gold. All our *Constitutional Money.* debts, public and private, are legally and morally payable in silver. We have no gold debt nor silver debt, exclusively, but a debt payable in gold or silver at the option of the people.

The fact that the silver miners would be benefitted by free coinage cuts but a very small figure comparatively, in the case. But what figure it does cut is all in the interest of the argument. Silver mining constitutes the greater part of the wealth of the vast regions of our mining States and Territories. We have a set of people in this country who, in season and out of season, cry themselves hoarse demanding “protection to American industries.” Yet many of them raise their eyes in holy horror and shout “Bonanza Kings,” the moment we broach the subject of free coinage. Contrasted with this spirit I was struck with the manner in which the Royal Commission, before cited, alluded to the gold miners of Australia and other British colonies. This Commission was singularly constituted. It was composed of twelve members, one-half of whom favored bi-metalism. The other half favored no change for the United Kingdom. “’Af and ’af” is not an unpopular English mixture. But that part of the Commission that favored no change, while they did not seriously dispute the correctness of the other half, that by international agreement silver might be coined free at par with gold, but one of the particular reasons for not desiring that result was that free coinage of silver

would bring down gold, and the English gold miners would suffer. Taking this view of it, they remark as follows:

“The interest of our Australian and other gold producing colonies, at which we have already glanced, must also be considered. Their deposits of gold are one of their principal sources of wealth, and any measure which tended to check gold mining or depreciate that metal, would, in all probability, injuriously affect the prosperity of the colonies and react upon the trade of the mother country with them.” [Same report; page 90, paragraph 129.]

The English View.

Are we to adopt this idea, too? Shall we refuse to coin silver free because it will cheapen gold and thus injuriously affect the prosperity of the “Australian gold miner and react on the trade of the mother country?” Are we to shut up our silver mines to protect the interest of the English colonies and the mother country? Our gold miners do not ask it. They join in the general demand for equality of silver with gold. As a mining question, free coinage of gold and silver places the miners of the precious metals on equal terms.

The American View.

Again, why should our government limit the coinage of silver for the very purpose of depreciating it and buying it at this depreciated price? The few millions of gain as seignorage annually credited is a small matter compared to the great harm visited upon the people by this withholding from them a circulating medium that would no doubt check the fall of prices and once more set millions of idle people to work. That would revive our languishing industries, pay off our farm and other mortgages, lift the country from the slough of despondency, set the wheels of prosperity once more in motion and add millions, yea, billions, annually to our wealth.

The People's Gain.

We are rapidly paying off our national debt on which the bank note is issued. National bank notes are being rapidly retired. The free coinage of silver is necessary to give the basis for the certificate to take the place of bank notes.

National Banks.

The subject of debtor and creditor and existing contracts must necessarily enter into this discussion. To go min-

utely into it would exhaust my time and your patience. I will say, however, that the free equity of silver would not have the effect of greatly disturbing the equality supposed to pertain to existing contracts and to the relation of debtor and creditor. We are not in the same situation as England and most other gold standard countries. We are not, strictly speaking on the gold standard. We have halted midway between the gold standard and bi-metalism. We coin silver that is a full legal tender for all debts, public and private. We have no obligations that are not payable legally and morally in silver. Silver, therefore, performs part of the functions at least of measuring the value of our standard of money.

*Debtor and
Creditor.*

Our standard has been aptly styled the "limping or halting standard," by a distinguished foreign writer upon this subject—Henri Cernuschi. We have in circulation about 350,000,000 of full legal-tender silver coin and certificates together.

*A Steadying
Factor.*

In this view of the case we will not see any great or sudden rise in prices. All that is desired and all that is necessary to give us greater prosperity is to check falling prices and start them suddenly on the up grade instead of the down grade we are now witnessing. What is further to be noted is that it is the totality of our money volume of gold, silver and paper that measures the value of property or controls prices. It is this 1,500,000,000 of money, not the 600,000,000 of gold alone, nor this gold aided by 350,000,000 of silver that measures prices or property. Thus must be taken also into the account our \$340,000,000 of greenbacks and \$175,000,000 of bank notes. These figures are given as only approximates, but they are not far from showing the true amount and character of our circulation. The full restoration of silver could not, therefore, seriously affect the relation of debtor and creditor in this country.

It is not denied that by free coinage of both metals, France was able to maintain the parity of the two metals at her ratio of $15\frac{1}{2}$ to 1, for over seventy

*Experience in
France.*

years, nor can it be seriously doubted that had she continued free coinage the parity would have remained till now. France's territory is not so large as some of our States. Our population is nearly

double that of France, and is distributed over an area of 3,000,000 of square miles. Our population is increasing at the rate of 1,000,000 annually. I think I am warranted in saying that, taking into the account our vast territory, our great wealth and demands for money for illimitable development, we are stronger, not only than France, but Germany and Great Britain included. We need no aid or monetary league with them. Geographically we are fortunately situated for bi-metalism.

On this continent to the south of us, and to the west in Asia, there are 800,000,000 of people who use only silver as money. They are the best customers for manufactures and the chief source of foreign trade. We ought to have this trade. Proper legislation on the silver question will greatly aid us in securing it.

*The American
Continents.*

The product of our gold mines will answer the demands for our commerce with Western Europe, and our silver mines with South America, Mexico and the Asiatics.

Nature has been bountiful in supplying us with great riches in mines of silver and gold. By the free coinage of both, New York and not London or Paris would be the money center for the exchanges of the world.

What is needed is the courage of men — statesmen — not the timidity of mice. Let the silver cord be loosened, the golden pitcher broken at the fountain of free coinage for both metals. The desire of the nations of the earth for money will not fail.

It is said that though France was quite able to maintain the parity of the two metals, and no doubt would have done so had she not discontinued the free coinage of silver,

*Ease of Restor-
ation.*

but that it is quite a different thing to maintain it, while the par was intact, from restoring it, now that the link was broken. It is true that a boy may be able to carry a load put upon his shoulder that he would be unable to place there. But that is no reason why a strong man may not easily shoulder the burden and walk complacently off with it. France is a small boy compared to Uncle Sam.

I want to say in conclusion, that any limit placed on the coinage of silver will have the effect to depreciate it. I

have shown that, notwithstanding Germany demonetized it in 1871, this country in 1873, silver did not fall, but when France, in 1874, placed a limitation upon its coinage it began to decline.

*No Limit
Possible.*

France did not fully suspend its coinage in 1879. It was the limitation of '74 that first broke the par. Free coinage means that every one can have his silver coined into a dollar at our mints. When the mint pays a dollar for all that comes, it can not fall below the prices fixed at this mint, and is everywhere a dollar. But if it is limited so that part of it can not reach the mint, that part thus discriminated will become a commodity, and is liable to decline in price.

Free coinage means that nature and not the Legislature fixes the volume of money. This is the theory of metallic money. But if the Legislature limits the supply by limiting the coinage, the theory of metallic money is done and the system will fail.

SILVER THE MONEY OF THE PEOPLE.

BY SENATOR W. M. STEWART, OF NEVADA.

MR. PRESIDENT AND GENTLEMEN OF THE CONVENTION—
Our deliberations thus far have profoundly impressed me with the fact, that the question of money is involved in these proceedings; and that in order to understand what ought to be done we should address ourselves to the elementary principles which govern the use of money. Civilization without money is impossible. No progress has ever been made in civilization without the use of some medium of exchange. The individual, however strong he may be, can not live a civilized life or enjoy the comforts of civilization. *Civilization Without Money.* The most intelligent and strongest man, physically, intellectually, and morally, would, if isolated in a wilderness, be unable to realize any of the advantages of civilization. We must avail ourselves of the efforts, the labors, and the intelligence of others. There must be an interchange of commodities. Only the whole community can maintain civilization, and without some universal order for property, some universal medium by which services can be compensated and property paid for, so that we can enjoy the labors of others, we have no civilization.

In early times and among savages, efforts have constantly been made to obtain some medium of exchange. A great variety of things were used as money, such as wampum among the American Indians, cattle among the Greeks, the bark of the Mulberry tree among the Chinese, and various trinkets among the Africans. Almost every people,

in their first efforts to attain civilization, have used one or more devices as mediums of exchange. As society advanced they used lead, iron, copper; but these were found to be too cumbersome or too abundant for use as money. Finally all civilized and semi-civilized people decided to use silver.

The use of silver as money is prehistoric. It was used for that purpose many centuries before gold. The early history of the Israelites shows that silver was their money, and that gold was used for ornaments. At last both gold and silver were used for money, and were termed the precious metals. They do not corrode, they are imperishable; nothing can destroy them. Their qualities are entirely similar. Consequently gold and silver are termed the precious metals. For three thousand years or more they have been the metals out of which money could be manufactured, and were therefore called the money metals. There is no way of increasing the value of one above the other, except by arbitrary legislation. While both are used as money, the ratio may be fixed by law and will so remain. Neither can be advanced in price beyond the other, except by law. So long as a dollar can be manufactured from a given quantity of silver or a given quantity of gold, such given quantities are equal in value. It makes no difference to the owner of bullion whether he has gold or silver so long as he can get the same number of dollars for a given quantity of either metal. It is the dollar he desires, with which he can buy labor and property.

*The First Use
of Silver.*

It is more than three thousand years since gold and silver were accepted as material out of which money might be manufactured. Until the recent demonetization of silver, the quantity of money in the world might at least equal the entire volume of gold and silver produced. Since the demonetization of silver, the quantity of metal out of which standard money can be manufactured is limited to gold alone. While the standard money of the world measures all things, all things measure money. The price of gold and silver is fixed by the aggregate property of the world, while that price measures all other things.

Money is governed by the law of supply and demand, like all other property. When persons speak to you of the

intrinsic value of gold, or the intrinsic value of silver, they use misleading terms, which have no definite or determined meaning. Nothing has intrinsic value. All things have intrinsic qualities, but not intrinsic value. Value depends upon two conditions, namely, limitation of quantity and the desire of man to possess; in other words, upon the law of supply and demand. If either element of supply or demand is wanting, no commercial value can exist. An unlimited supply is as destructive of commercial value as an utter want of demand. The air we breathe possesses intrinsic qualities, which makes it indispensable to life. It has no commercial value, however, because the quantity is unlimited. If all the rocks and pebbles of the earth were gold, the intrinsic qualities of that metal would not be changed, but its market value would be destroyed. A person standing at a fountain of pure water, with a dipper in his hand, would pay nothing for a sufficient quantity with which to quench his thirst; but if he were placed on the Mojave Desert he would give all his worldly possessions, if necessary, to obtain enough water to save him from perishing.

The value of money, depending upon the law of supply and demand, the question of an adequate supply becomes all-important. If you limit the amount of money, you increase its value as compared with property. If you increase the amount of money, you diminish its value as compared with property. This principle is perfectly understood in ordinary transactions. It is universally known that when an article is scarce it must necessarily be dear. One moment's reflection will satisfy anyone that the same is true of money. The world has been unable thus far to reach a general agreement as to any other standard of money except the precious metals. The people may be educated to use something else as money, or may invent some medium of exchange hereafter independent of both gold and silver. Up to the present time, however, this has not been accomplished. Twelve hundred millions of people believe in silver as money, and not over one hundred and fifty millions believe in gold. This belief must be accepted as one of the conditions upon which legislation should be based. The quantity of money having been, as we have seen, deter-

*Intrinsic
Qualities, but
not Values.*

*The Supply and
Demand.*

mined for the past three thousand years by the supply of the precious metals, the prosperity or adversity of the world has been governed by the abundance or the deficiency in the supply of those metals. Whenever the mines failed, history informs us that the world was plunged into barbarism. [Applause.] When Rome rose to greatness by conquest, she persistently gathered to herself the treasure of the civilized world. The excavations in Spain bear testi-

*The History of
Rome.*

mony to mining operations conducted two thousand years ago that exceed anything in modern times. Two thousand years have not been able to obliterate the land marks which Rome made in search of gold and silver, or to blot from history the cruelties committed by her armies in enslaving their captives in the mines of Spain. She continued to accumulate gold and silver. The price of property rose. The whole empire was inspired by increasing values during several centuries, until the time of Augustus, when Rome reached the zenith of her power. It is estimated that she had then accumulated and put in circulation from eighteen hundred to two thousand millions of money, consisting of gold and silver. Besides this, she had vast accumulations of plate and ornaments. Then came internal dissensions. Mining ceased, the empire was rent in twain, broken up in fragments, invaded. Money was borrowed and lost, and Rome grew poorer and poorer until the end of the seventh century when she had lost the great majority of her circulating medium. The civilization of the world was practically destroyed. In seven hundred years property and debts grew, while the ability to pay continually became less. No man had any courage in those days. No man could assert freedom or independence. Why? Because, I tell you,

*Poverty Makes
Men Cowards.*

there is nothing like scarcity of money, poverty, inability to pay debts or support a family to make men cowards. [Applause.] I have observed that often. I live in a mining country, and I have often seen the poor, discouraged miner driven from his boarding house, kicked out of saloons, and submit to all kinds of indignities. Occasionally such an unlucky individual becomes the finder of a rich mine or bonanza. He then walks erect and will no longer submit to insult, and men who previously insulted him take off their hats. He

carries, as it were, a chip on his shoulder and defies all comers, because he has money. A nation, like an individual, deprived of money will submit to degradation and shame. Would it not have been impossible to have reduced the proud Romans to feudal slavery if they had continued rich?

How was it, that the world emerged from the dark ages in which poverty had overwhelmed civilization? It was due to nothing less than the discovery of

The New Civilization.

gold and silver in Mexico and South America. The supply of gold and silver from the new world revived the civilization of the old, and really created the new civilization which we now enjoy. [Applause.] When men make money by receiving fair compensation for their products, they become independent and free. Mr. Jacob tells us that in the fifteenth century, the time of the discovery of the new world, there was not a piece of gold or silver in Europe sufficiently small for a man to earn in a day, that the lands in England were leased for terms of ninety-nine years, and the nobles lived abundantly because property was worth so little and labor so cheap. A very small amount of money would support a noble in opulence. There were then 29,000 real estate owners in England, and after the first hundred years of mining in America the common people of England were able, by the enhanced value of commodities, to buy out their landlords and become the owners of the soil. The number of land owners rose to a hundred thousand. This created what is known as the middle class of England, the class upon which the progress and prosperity of that great empire has always depended. It is true, that by the laws of primogeniture the number of land owners has been again reduced, but the independence of Englishmen gained

The Effect in England.

by the supply of money from the new world has never been destroyed. The enhanced value of labor and property relieved them from their feudal slavery and gave them money with which to pay their debts, to pay their rent, and to acquire title to land. It has taken two hundred years, and all the force of legislation, to reduce the number of land owners to about 30,000. People, however, were set free, and acquired wealth in other directions, and have ever main-

tained a degree of freedom which would not have been possible in their impoverished condition before the new discoveries.

The creation of this great middle class of England, brought about by the discovery of gold and silver in Mexico and South America, is the source to which the great Anglo-Saxon race may trace its dominance in the world. The money from the new world was the vitalizing force, which created an independent spirit throughout Europe and caused a reformation in politics as well as in religion.

It is, indeed, a sad reflection that the farmers of our own country to-day, in consequence of the machinations of the money kings, and the gold monometalists, are losing that independence of character for which they have been noted. [Applause.] Their mortgages are making them cowards. There is nothing which so quickly makes a man a coward as a mortgage on his farm, which he has no ability to pay. [Applause.]

*The Change in
this Country.*

From the commencement of the fifteenth century to the beginning of the eighteenth, a period of 300 years, there was a reasonable supply of gold and silver, and civilization rapidly advanced. The supply of gold on the basis of 15½ to 1 was 30 to 70 of silver. Still the ratio remained unchanged so long as either could be manufactured into money, according to such ratio. At the commencement of this century the wars in Mexico and South America checked the supply. From 1810 to 1850, there was a deficient supply of the precious metals. There are persons here who must remember it well. I remember a large portion of that period. I started in life under low prices. I worked on a farm, in order to secure my education, at \$8 a month, and I thought I was doing well. I understand now how that was. Money was scarce. Every effort was made to invent some way to get money. The mines were unproductive. We had a United States bank. We had all sorts of schemes, but they did not work. The people could not be educated to have confidence in them. There was nothing that occurred during those forty years to increase the price of articles produced. From 1810 to 1850, the amount of gold and silver produced was less than \$40,000,000 per annum. Then came a change such as the world has never before seen. An all-wise Prov-

idence had something in store for man which relieved and emancipated him from the thralldom of his lot, and permitted him to go on again in the course of development and progress. The discovery of gold on the American River in California, which was followed soon after by a like discovery in Australia, revolutionized the world and gave fresh hope everywhere and to all mankind. Men became industrious, because industry was rewarded by an increase of wealth. They became brave and strong, because they were able to liberate themselves from the thralldom of their debts. An abundance of money gave them new life, and gave a fresh impetus to commerce and to progress everywhere. During the twenty-three years, from 1850 to 1873, prices rose more than 30 per cent. The supply of precious metals out of which money could be manufactured, rose to nearly \$200,000,000 per annum. In those twenty-three years more progress was made in invention, in discovery, in science, in art, in intelligence, and in wealth than during any century which preceded. Property was going up; investments and enterprises were encouraged. Men strove to create property, because they could make money in industrial pursuits. The energy and activity of the whole world was brought forth. Civilization was on the full tide of prosperity, with an abundant supply of the precious metals from which enough money could be manufactured to supply the wants of the people.

Amid all this prosperity and progress a secret combination was formed. A conspiracy was entered into among the bondholders of Europe to cut off one-half of the supply of the precious metals, and reduce that supply from \$200,000,000 to less than \$100,000,000 per annum. Mark the result! Prices declined, as all statisticians agree, more than $33\frac{1}{3}$ per cent in fifteen years. A list of the names of the eminent gentlemen who have investigated this subject and reached this conclusion was read by Mr. Bland in your hearing today. A fall in prices of $33\frac{1}{3}$ per cent in fifteen years is a sufficient cause for the depression and hardships which the people now endure. Prices have gone down and standard money has gone up. The law of supply and demand has done its work. The rejection of silver cut off

The Demonetization Conspiracy.

half the supply. The demand has been constantly increasing by reason of a growing population and a swelling volume of business, while the supply has been diminished more than one-half.

As I said before, while money measures all things, all things measure money, and as money has become scarce, it has become dearer and dearer, as compared with property. To say property has fallen in price, is simply another way of stating that money has risen.

There is no profit in theorizing on the subject. The fact that one-half of the supply of the precious metals has been cut off is a sufficient reason for the decline of prices. We need look for no other. I defy the apologists of the gold standard contractionists to show me an example in history, where a scarcity of money has not produced falling prices in property. I defy them to show an example in history where there has been an abundance of money that there has not been rising prices and increasing prosperity. [Applause.]

*Cause of Rising
or Falling
Prices.* All the hired writers on political economy that have ever lived, can not maintain before intelligent people the false and absurd proposition which they so boldly put forth, which is, that the reduction of the supply of money metal one-half does not have a tendency to reduce the price of property. The claim that the price of property can be maintained while the supply of money is diminished is an insult to the intelligence of the people. Who does not know that if money measures all things, all things must measure money? Who can not see that if the volume of money was doubled that prices must go up, and that if it was reduced one-half that articles must go down?

Suppose the money of the world were reduced 90 per cent, would not the price of property be exceedingly low! It is the object of good government to keep an even range of prices. Common honesty requires that the debtor shall be required to pay no more than is stipulated in the contract. The government, so far from yielding to the machinations of speculators in money, must maintain an even range of prices, if it would maintain honesty and fair dealing among the people. I do not wish to be understood, that there will not be fluctuations in particular articles. That must be so. There will be good crops and bad crops.

There will be an abundance of this article or that article. Crops will fail, and products will be dear or cheap, according to circumstances, but the average range of prices should remain the same. The general average should be permanent.

The governments of the civilized world made a radical departure from honesty and fair dealing when they permitted the holders of fixed capital to cut off half the supply of the world's money, and thereby double the value of of their holdings. It was the crime of the nineteenth century.

I have no time to explain to you in detail the various devices and tricks by which this crime was committed. All the nations of the civilized world, or rather, all the governments of the civilized world, were used to perpetrate this fraud. I was in the Senate of the United States when the bill demonetizing silver was passed. I

*The Crime of
the Century.*

did not know that that was the purpose of the bill. I had no means of knowing it, because the fact was not announced. No suggestion whatever was made that any such scheme was contemplated. On the contrary, the discussion in the Senate plainly shows that the silver dollar was in that fatal bill when it passed that body. The last amendment offered to perfect the bill provided for the inscription on the silver dollar, and it was stated by the Chairman of the Committee on Finance that:

This bill proposes a silver coinage exactly the same as the French, and what are called the associated nations of Europe, who have adopted the international standard of silver coinage; that is, the dollar provided for by this bill is the precise equivalent of the 5-franc piece.

That was the last thing that happened to that bill before it went out of the Senate, except the amendment providing for the superscription of the various coins and the designations of the value of coins—of the gold dollar, the three dollar piece, the silver dollar, the half dollar, the quarter dollar, and of the dime, and the five cent piece. Why was this amendment, providing for the superscription of the dollar offered and adopted by the Senate, if the dollar was not in the bill? I can confidently assert that the Senate as a body had no conception of the fact that the silver dollar

was to be demonetized. The report of the conference committee does not show that the bill was amended in this particular. One thing is certain, and that is, that the silver dollar was omitted from the Statute. How or when it was done must remain a mystery. No one can honestly claim that this was not either a crime or a mistake. If it was a mistake, and the persons who made it had consented to its correction, the people would have been satisfied. They did not consent. They have used the power and prestige of money to maintain the fraud. Some persons claim that they knew it at the time. Whether they did or not, cannot be determined. The fact that the monometalists have subsequently insisted that this legislation should not be repealed, indicates that they might have been cognizant of the original conspiracy. After they have fraudulently rejected silver as money, and destroyed its use for that purpose throughout the civilized world, and thereby reduced its price as compared with gold, they sneeringly declare that it is worthless and fraudulent. At the time this legislation was had the silver dollar was at 3 per cent premium. Who made it a fraudulent dollar, the people or the men who clandestinely passed the bill or secured the printing of it in the Statute?

A Delegate. Mr. Stewart, are the people bound by that fraud?

Mr. Stewart. They are bound as long as they submit, and no longer. [Cries, "hie hie," and loud cheers.] They are bound to that extent and no more.

Now, what has been the result? This generation inherited an abundant supply of the precious metals. It discovered, improved and developed the mineral resources of both hemispheres and inaugurated an era of prosperity never before known. The probabilities of future prosperity were unbounded; all reasonable expectation of a future supply of the precious metals were supported by undoubted evidence. There was nothing to interrupt continued prosperity. What was the motive of the conspirators who rejected silver? Was it to benefit mankind or to rob the many to enrich the few? Let the facts answer. There was, at the time this national crime was committed, twenty-five thousand millions of national debts in the civilized

How Demonetization was Accomplished.

The Inspiring Missive.

world. It may be safely estimated that there were three times that amount of other debts, consisting of state, corporate and private obligations. This, added to the national debts, furnished a grand aggregate of not less than one hundred thousand millions of debt. When that debt was contracted the people relied upon the annual supply of the precious metals, which the mines then furnished, with which to pay it. It was an abundant supply of nearly two hundred millions per annum. The

*The Public Debt
Showing.*

people had a right to rely on that supply, and to draw from it to pay the debts which they had contracted. The reduction of that supply one-half by the rejection of silver changed every contract in the civilized world from a contract payable in either gold or silver, at the option of the debtor, into a contract payable in gold alone. If you will reflect upon the fact that contracting a debt is, in effect, selling money short, which is an agreement to deliver at a future time something which you do not possess at the time of the agreement, you will appreciate the disastrous consequences of pooling the world's money. If the article to be delivered is scarce when the contract matures, the person making such contract must necessarily be the loser. This is well understood in every-day business transactions with regard to all kinds of property. Whether a man will make or lose by a contract to deliver any kind of property at a future day, must depend upon the supply of that property at the time of delivery. If the supply is cut off or reduced, or, in the language of the street, the money or stock is pooled, the contractor to deliver must suffer a loss.

The gold kings have pooled the money of the world and placed it beyond the reach of the producers. The debts of the world can not be paid in gold. The property of the

*Effect of the
Pooling of
Money.*

world must be sacrificed on the altar of avarice by fraud, or silver must be restored. The fact that money has gone up and property down is felt throughout the land. Every farmer in the great valley of the Mississippi feels it; every miner of the West feels it; every wealth producer in the East feels it; every mortgagor is suffering from this fraudulent change in his contract. The weight of the farmer's mortgage is becoming heavier every day, while his power to lift it is con-

stantly diminishing. Despair is upon him. He and his family are suffering; hope is taken away. It takes more bushels of wheat, more hours of toil, and more bales of cotton to pay his debt by 30 or 40 per cent than when it was contracted. He is unable to make it, and those who have changed the contract, who have manipulated the contract by legislation, have the impudence to call this honest, and quote in justification of their oppression the notorious John J. Knox, the brazen advocate of the fraudulent demonetization of silver, who was Comptroller of the Currency when this crime was committed, and who now justifies it with all the fraudulent tricks and devices by which it was accomplished. He even goes so far as to claim that every bond issued by the United States is now payable in gold, and that legislation has so made it. He disregards the funding act, under which all existing bonds were issued. He declares that it counts for nothing; that in that act every bond issued is made payable in coin of the standard value described in the Act of July 14, 1870, and that on that date 412½ grains of standard silver was the unit of value and the standard of all our coins. He ignores the fact that the Congress of the United States in 1878 by a vote of nearly three-fourths in each house, solemnly declared, after elaborate debate, that every dollar of indebtedness of the United States was payable in silver coin, and he boldly demands in behalf of the bondholders that this indebtedness be paid in gold. It is nothing to him that, notwithstanding that more than half of the national debt has already been paid, it requires more days of toil, more bushels of wheat, more bales of cotton, to pay what is left than it would have taken in 1865 to pay the entire debt, and that this has been done by legislation and by manipulation in the Treasury Department.

I am aware that the money kings have become all-powerful; I am aware that they have transferred more than half of the property of the people, by legislation, to the hands of the few; but I have faith that the free people of the United States will not always endure these outrages. In face of your mortgages, in face of this bad faith, in the face of this terrible fraud, this great crime against civilization, this crime of the nineteenth century, how long will

you tolerate the insolent demands of Knox and his co-conspirators?

The subject is so vast that I fear I shall extend my remarks too long. [Cries of "Go on; go on."]

The effect of excluding silver from the mints of the civilized world ought to have been anticipated, and would

have been, if it had been called to the attention of the people. Great Britain has been

investigating the results of the demonetization of silver for the past four years. She has appointed

two Royal Commissions, one on the depression of trade, and the other on the recent changes in the relative values

of gold and silver. A thorough investigation has been made, and the result of that investigation has been published.

The general fall in prices, or, what is the same thing, the advance in the value of gold, is ascertained by

that investigation to have been produced by the demonetization of silver. The reports of these commissions have

only confirmed what everybody ought to have known, namely, that cutting off half of the supply of the money of

the world would necessarily make money scarce and dear, and that the price of money would go up and the price of

property go down. There was no need of an investigation to prove this. The Royal Commission simply called attention to the fact, which everybody ought to have known.

The ruin and misery which have been suffered by the entire civilized world, except the bondholders, exceed all

the calamities of the nineteenth century. The producing classes of Europe are suffering in the same manner as the

producers of the United States. Land has gone down in Europe and America, where there was no local cause to

prevent it, from 30 to 50 per cent. Manufacturing on a gold basis is languishing throughout the world. The land

owners of England appeared before the Commission and presented their grievances. They were told that there was

no help for them, that the nation must have cheap food, and cheap silver was furnishing it. The

representatives of the manufacturers also appeared before the commission, and complained of the disadvantage of manufacturing on a gold

basis and selling their commodities in India for silver, and said that the discount was ruining them. They were in-

Findings of the Royal Commissions.

England's Anti-Remonetization Reasons.

formed that cheap silver gave them cheap food, and inasmuch as they had a monopoly of the trade with India, it was better to obtain cheap wheat from India than to be longer subject to pay tribute to the United States. The controlling motive, however, which prevented affirmative action in favor of silver was stated by the six commissioners most favorable to bi-metalism. They gave the reasons why England does not remonetize silver. They said:

It must be remembered, too, that this country (England) is largely a creditor country of debts payable in gold, and any change which entailed a rise in the price of commodities generally, that is to say, a diminution of the purchasing power of gold, would be to our disadvantage.

The Commissioners who most favored bi-metalism used this language. They dared not diminish the purchasing power of gold, because it would be to the disadvantage of England, a creditor nation. During the whole investigation before the commission the witnesses treated the position of the United States with contempt. Some of them said it was very strange that the United States, being a debtor nation, a cotton producing nation, a wheat producing nation, should demonetize silver and make money

scarce. I will read to you what one of the witnesses said, which is a fair illustration of the testimony taken at our expense before the Commission. Mr. Daniel Watney, said:

I can not suppose that everybody is wise. Just think of the folly of the United States, when they were a debtor nation, in adopting a gold standard. They knew nothing about currency matters; they did not know that it was going to increase their debt enormously.

They did know it, but the men who did the thing undoubtedly had some of these debts, and wanted them increased, and that is why it was done. Now, if England was not a creditor nation, if it were not for the bonds she had against all the rest of the world, she would remonetize silver at once. That is the real difficulty about the whole matter. It is the bondholders of England and the great agency of the bondholders, the Bank of England, which compels all the world to work for them at low wages, and to give them a great deal for a little, which contracts the standard money of the world. That is what prevents the remonetization of silver. This fact was apparent during the whole of the discussion. It was the bond-holding inter-

*The Folly of the
United States.*

est that silenced the groans of the farmer and the producing class generally. That is the whole contest. The non-producing class has a mortgage of more than a \$100,000,000,-

The Non-Producer vs. the Producer. 000 upon the energies, the labor and the production of the civilized world, and exacts each year at least \$5,000,000,000 from it in the shape of interest. It is that powerful class to which the world owes this vast debt, and that secures legislation to make money scarce. It is that class with whom we must contend. [A voice. "That is right."] You must contend with them everywhere. [Applause.]

The demonetization of silver has not only reduced the price of property more than $33\frac{1}{3}$ per cent, but it has robbed the United States of its foreign market. In 1880, Russia, India, the Argentine Republic, and the colonies of Victoria, South Australia and New Zealand exported to Europe her foreign supply of wheat. Of the total amount of wheat exported to and sold in Europe from the countries above mentioned, the United States contributed 69 per cent. In 1888, the percentage contributed by the United States was reduced to 22 per cent. The colonies of Victoria, South Australia and New Zealand suffered an equal

Foreign Trade Comparisons. decline with the United States. The exports from Russia, India and the Argentine Republic were vastly increased during that period, while the exports from the United States and the colonies of Victoria, South Australia and New Zealand fell off more than two-thirds. Russia, India and the Argentine Republic each has the single silver standard. The United States and the Australian colonies named have the gold standard. Silver in the silver standard countries mentioned, according to the testimony taken before the Royal Commission of England, has the same purchasing power to-day that it possessed before it was demonetized in Europe and the United States. Consequently, wheat and other farm products can be produced and sold at the same price in silver as they could be before such demonetization. In other words, in the silver standard countries farm products are produced on the silver basis and can be sold for the same price in silver that they could before the white metal was demonetized in the western world. The United States and the Australian

colonies have the single gold standard. What they buy and everything that goes into the cost of production must be paid for in gold. When they sell in competition with Russia, India and the Argentine Republic, in the European market, they must sell in competition with the silver standard countries; in other words, they are required to produce with gold and sell for silver, and suffer a discount of over 33 $\frac{1}{3}$ per cent. The capacity of production of wheat in Russia, India and the Argentine Republic, is

*The Necessity
for Action.*

more than equal to the entire European demand, and unless silver is remonetized and made dearer, the time is not far distant when those countries will supply the entire European demand and exclude the United States from every foreign market. If silver were remonetized and raised to par, the equilibrium between the United States and the silver countries would be again restored, and our superior machinery and enterprise would again give us a foreign market. With the gold standard, our foreign market is lost. So long as we sell the silver we produce in this country at 33 $\frac{1}{3}$ per cent discount, to be used at par in Russia, India and the Argentine Republic, just so long will those countries have 33 $\frac{1}{3}$ per cent advantage over the farmers of the United States in the production of wheat and all other farm products, whenever we attempt to dispose of them in the European market.

Soon after the war the United States evinced a desire and determination to pay its debts, such as was never shown before by any people. We paid debts contracted in greenbacks in coin. We not only declared by legislation that the debts of the United States should be paid in coin, but the managers of the Treasury Department have paid them in gold alone. The banks of New York were able to say to the bankers of England and Europe generally: "Here is the place to loan your money." Syndicates were formed immediately after the war, and they have been in existence ever since, to loan money to railroads and other corporations in this country.

*A Plum for the
Lending Class.*

Of course, the persons making the loan must bear a big discount, from 8 to 30 per cent to start with, and took a good rate of interest. They also entered into a tacit understanding with these syndicates that the money

borrowed should be paid in gold. These New York parties, who constitute your banking fraternity there, pledged themselves to see that every dollar loaned in America should be paid in gold, and they themselves, being partners in these syndicates, were interested in compelling payment in gold alone.

These banking institutions, which have entered into these engagements to pay the European loans in gold, have a controlling influence over all the banks of the country, and they have unlimited means of influencing the people. Their principal power consists in the fact that they are the creditor class and the debtors are intimidated. They control not only the banks of the country, but they control the metropolitan press. [Applause.] They certainly have had control of the Treasury Department under all administrations for the past twenty-five years. [Applause.]

A Voice. That is the case.

Mr. Stewart. Yes, that is the case. The orders to our Treasury Department for the past twenty-five years have come directly from the Bank of England through Wall Street. [Applause.]

All legislation for the benefit of the people has been thwarted. Our Treasury Department was the instrument of the bondholders. The railroads that have borrowed this money are carrying a tremendous load. They dare not complain, or their stocks and their bonds will be thrown on the market and they would become bankrupt. They dare not say that they want to pay in silver. They are gold men from compulsion. The railroads are mortgaged on an average for twice the cost of their construction. I am informed that all the railroads are burdened to that extent on an average. They have agreed to pay these bonds in gold, and if they fail they will lose their credit and their standing. How is it with the people? Can this go on with the continual shrinking of the volume of the currency? Can these railroads reduce the fares and freights, can a fair compensation be paid to the laborers of this country if only gold is to be used in the payment of this enormous debt? In the meantime stagnation and gloom rests over all the land. A country that ought to be bouyant, happy and prosperous, is lying prostrate beneath the iron grasp of the money kings,

*Allied Against
the People.*

who, by their rascality, have forged the chains that are binding them to-day. [Applause.] That is what we find. Now, what must be done?

A Voice. Strike out for ourselves; on our own hook.

Mr. Stewart. What must be done? At the commencement of the last Congress the Representatives of the national bank presented a proposition to fund the national debt in a long bond, and use such bond as a basis for a greater issue of national bank currency. They demanded in most emphatic terms the repeal of the Bland Act, and the utter demonetization of silver. Bills were introduced in both Houses to carry out this purpose. The Committee on Finance of the Senate finally reported a bill to refund the

*Relating to the
National
Banks.* debt in long bonds, and to continue this banking system at the expense of the people. Some of us thought that whether we could pass a bill in favor of silver or not we could and would defeat such a measure. We determined that the National Banks should go out of existence, or allow the re-establishment of honest money. By the law of their existence the National Banks are ephemeral.

They must cease to exist, if no further legislation can be obtained, as fast as the bonds are paid. [Applause.] It was never a permanent system. It was only a temporary expedient, to exist so long only as the manipulators could make it profitable. There was no idea of a permanent currency connected with the National Bank system. It placed the money of the country substantially in the hands of Wall Street to manipulate it for speculative purposes. When this bill to prolong the existence of the system was laid before the Senate, some of us concluded that an opportunity was presented to test the strength of the Senate on that question. A bill was passed through the House at the suggestion of the Secretary of the Treasury to further assure him in the right to purchase bonds, although that right was already confirmed by law. In the Senate we amended the bill, and adopted what is known as the Beck Amendment. This amendment provided that the Secretary of the Treasury should buy enough silver to take the place of the National Bank notes as they are retired. This silver was to be in addition to the amount of silver now required by law to be purchased by the Secretary of the Treasury under

the Bland Act. This would have put silver dollars in the place of every National Bank note which was retired on account of the payment of bonds and would have brought about the end of National Bank notes within a very short time. It was a strong proposition. The friends of gold urged us not to press it. The majority of the Senate, however, were resolved that a test vote should be taken, and forced the Senate to vote on the square proposition. The result was 38 to 13 in favor of the amendment. [Applause.]

There is no doubt that both Houses of Congress, by overwhelming majorities, were in favor of silver. The trouble is to avoid the manipulations of the bondholders. It is always manipulation and crookedness with which we have to contend. It is by fraud, that the few always rob the many. We, however, got them to a square vote between silver and national bank notes, and carried it in favor of silver by a handsome majority. It would have passed the House, too, had it not been that Mr. Cleveland was a candidate for re-election. He had taken grounds against silver, and it could not be expected that the Democratic party would change front during the Presidential campaign. The Democratic party is now free from the embarrassment of the Executive. The Republican party recognized in its platform the principle of bi-metalism. The national banks must have legislation or go out of existence. We will compel them to accept legislation in favor of silver or make them go into liquidation. The national bank's notes are disappearing very rapidly. Forty-one millions were retired last year. Fully half of the entire issue is now gone. There is only about \$130,-000,000 in circulation, secured by United States Bonds. It is true there are \$200,000,000 out, but \$71,000,000 of

The Question for the National Banks. lawful money is already deposited in the Treasury to redeem that amount of national bank currency, so that of the real currency secured by bonds the amount is reduced to about \$130,-000,000. The banks are required to maintain a certain amount of circulation in order to preserve their organizations. The minimum which they must keep in circulation will soon be reached. They must then either go into liquidation or come forward and restore the precious metals and

let us have honest money. [Applause.] If the national banks will do that, I say to them that we are perfectly willing to allow them to continue in business. There would be no difficulty in obtaining the passage of an act, which would permit them to deposit silver and withdraw their bonds and continue their organizations. But if they continue to make war on silver and continue to work in the interest of gold standard contraction, they must die the death which was prepared for them in the law by which they were created. [Applause.]

There is no escaping legislation for the national banks. They must have it or die, and if they will take honest legislation, we will be very glad. We have no fault to find with the system of national banking. It is all very well, but we do not believe anybody but the United States should issue money. [Cries of "No."] We want the United States to issue its own money. It is absurd to say that the money of the United States is made better or safer by having the endorsement of John Doe or Richard Roe upon it. [Applause.]

The gold kings say that we would be overrun with silver if we should remonetize it; that we would be swamped with the stuff that would be dumped upon us by the world.

Let us look at that a moment. The same *No Surplus of Silver.* Royal Commission which took volumes of testimony to ascertain the supply of the precious metals, and what disposition was made of them, found that there was no surplus silver in the world. The *London Economist* summed up the investigation thus:

"The quantity of pure silver used for coinage purposes during the fourteen years ending 1884, was about 18 per cent greater than the total production during that period, and there are other estimates which place the consumption at a still higher figure. It is to be remembered that the coinage demand is fed from other sources than the annual output of the mines. It is supplied to some extent by the melting down of old coinage. Allowing for this, however, the evidence of statistics goes to show that the coinage demand for the metal is, and has been sufficient to absorb the whole of the annual supply that is left free after the consumption in the arts and manufactures has been supplied; and this conclusion is supported by the fact that nowhere throughout the world has there been any accumulation of uncoined stocks of the metal."

One thing the *London Economist* was sure of, and that was that there was no accumulation of bullion anywhere

in the world. It was either all coined or used in the arts. It is perfectly certain that no addition to our stock of silver can come from the supply of bullion on hand. It is equally certain, that no considerable amount of silver could be obtained from the coined silver of Europe. Europe, instead of disposing of her silver coin, is increasing that coinage. The entire stock of legal-tender silver of standard fineness which could possibly have any market value in this country does not exceed a thousand millions. This coin is circulating in Europe on a par value with gold as a

*Reasons
Against
Importing.*

full legal tender at the ratio of $15\frac{1}{2}$ to 1. It would require an ounce of gold to buy fifteen and one-half ounces of this legal-tender silver money, which in this country could not be sold at our mints at par, but would be at a discount of about $3\frac{1}{2}$ per cent. The established ratio in the United States being 16 to 1, the importer of European silver would be required to add one-half an ounce of silver to the fifteen and one-half ounces which he bought with an ounce of gold in Europe to obtain in return an ounce of gold in the United States. Besides, all the silver circulating in Europe is required in those countries where it is coined for money, and could not be dispensed with, without great loss and inconvenience. There is no danger of obtaining any considerable portion of European silver money. From whence then is the flood to come? The United States produced last year \$59,000,000 of silver and imported \$24,000,000 in addition thereto. We exported \$36,000,000 commercial value. Our exports exceeded our imports by only \$12,000,000 commercial value, equal to about \$15,000,000 coin value. It must be remembered that the demand for silver in Asia is constantly increasing. It was shown by the testimony taken by the Royal Commission, that there was an increasing business among 800,000,000 people, which occasioned an increased demand for silver, which would be permanent. They are not now oversupplied. Any diminution in the supply would create a stringency there. It has been the

*The Ruling
Ambition
of National.*

ambition of all nations to get on a metallic basis, dollar for dollar; that is, to have a dollar in coin for every dollar in paper in circulation. This has never yet been accomplished by any country. There is no nation in the world which is on a

metallic basis to-day, in the sense of the term that I use; that is, a dollar in coin for every dollar in paper. It will hardly be contended that the finances of the United States would be injured or its credit impaired if there was a dollar of silver behind each dollar of paper money now in circulation. I have a statement from an official, which is entirely reliable, showing that there are \$426,000,000 of what is called uncovered paper in the United States, now in circulation; that is, \$426,000,000 behind which there is no metallic money. To place the United States on a metallic basis without increasing the present volume of circulation would require \$426,000,000 additional silver or gold. In addition to this, we want more money than we now have. Money is too

*The Coin Money
Now Necessary.*

dear. It has gone up more than 30 per cent as compared with property. Property values ought to be enhanced or money ought to be made cheaper. They ought to be equalized and placed back where they existed at the time the world became involved in the enormous debts which I have mentioned. It will hardly be suggested that \$300,000,000 added to the present volume of the circulating medium would be too much. That would make \$726,000,000 which would be immediately required for the purposes of the United States to reach a coin basis and relieve the pressure of the money market. It would take a long time to acquire this amount, and keep pace with the growing population, which would require from \$30,000,000 to \$40,000,000 a year of new money. The \$15,000,000 annually exported in excess of imports would do very little in supplying this demand.

A large importation of silver would be required. Such a demand from the United States would leave Asia without a sufficient supply, and it would be impossible for the United States, if it would take all the silver presented, to reach a coin basis in any reasonable time. On the contrary, if our mints were opened to free coinage, it would still be necessary to keep all the greenbacks in circulation now out, and perhaps more would be required.

Suppose that the United States would take all the gold and silver offered, and pay coin or coin certificates therefor, at standard value, such coin and such certificates would circulate throughout the world. Such an accumulation of

gold and silver would secure to the United States unlimited credit in every part of the world, and would be a safe basis in every emergency of peace or war. If the mines should fail, no money famine need follow, because the United States would have a basis for the issuance of sufficient money to keep pace with the population, and avoid contraction. If there had been a thousand millions of dollars of gold and silver piled up in the United States Treasury when the late war broke out, there would have been no necessity of creating a national debt. The government could have maintained its existence without involving the people in an enormous debt. Its money would have been at par throughout the world, and its credit would have been undoubted. If we can accumulate a sufficient supply of gold and silver, we will be prepared for any emergency. [Applause.] We would never again be forced in our extremity to issue bonds and sell them at an enormous discount, and thereby rob the people and make them poor, but we would have a basis of a sound and permanent currency.

There is no question between the two metals as to which is the better. Gold, in connection with silver, is good for money; alone, it is too uncertain for a money standard. It is found by accident, produced in large quantities at great intervals of time, is more liable to be used in the arts than silver, is more subject to wear, and its circulation has never been extended outside of the most civilized nations of the world. It can not be used among the common people as a circulating medium. At any rate, it never has been to any considerable extent. The bondholders, recognizing the fact that silver was used throughout the world, and that the use of gold was limited, first commenced their scheme of contraction by advocating the demonetization of gold. When gold was discovered in California and Australia, and began to revive the commerce of Europe, the bondholders demanded that it be demonetized. They showed most conclusively that silver was the better metal. Holland, Germany and Austria demonetized gold for the purpose of protecting the bondholders. Their arguments were based upon the fact that silver was the better metal.

The Demonetization Influences.

They even contended that gold was becoming so plentiful by the new discoveries that it would have no more value than lead or copper, and must be discarded. They said that it never had and never could come into general circulation, while silver circulated throughout the world. They dwelt upon its accidental production, and its uncertainty as a standard of value. England and France hesitated, and finally refused to join the scheme of demonetizing gold. Bismarck, determined to accomplish his purpose and secure opulence to the wealthy and protect the fixed incomes of the bondholders, changed his plan of operation and inaugurated the conspiracy to demonetize silver. The bondholders then said, "We can not demonetize gold, we will demonetize silver, and thereby enslave the world." They have well nigh accomplished their purpose, and if they are allowed to go on, civilization will be blotted out.

No reform can happen in Europe. The payment of taxes is enforced by vast standing armies. There are from three hundred to fifteen hundred thousand soldiers under arms in each of the great powers, besides immense navies, which furnish all the means necessary to put down every uprising and to silence every complaint. All this makes reform in Europe impossible. If reform comes, it must come from happy, proud America. It must come from the people of America. [Applause.] We must not go half way.

*The Situation
in Europe.*

A Voice. That is right.

Mr. Stewart. Don't go half way. Give us back our coinage; give it to us now. [Applause.] You who perpetrated the fraud, gave us no notice when you changed our contracts; you have robbed the miners, by the discount on their bullion, of over \$100,000,000, and driven thousands into bankruptcy. You have robbed the farmers and producers of this country of one-third of their property by enhancing the value of money and depreciating the price of their possessions. [Applause.] You have caused gloom to come over the land. We now demand of you to give us back our silver dollar; give us back the currency of the fathers; give it to us now. [Applause.]

If we win in this contest we will win because we are right; because we are bold; because we are prepared to

defy the bondholders; because we fear them not. Let them do their worst. They can take no more than we have. [Applause.]

If we allow them to continue their scheme of contraction they will have it all anyway. If we do not stand up for our rights, we must be serfs or slaves. Let

No Half-Way Measures.

us have no half-way measures in this Convention, I would give nothing for half-way measures; they are cowardly. When you commence to juggle with the artful manipulators of gold they will out-juggle you, and fix the laws so that they will be against you and in their favor. [Applause.] We must have silver remonetized; we must have free coinage of both gold and silver. We will not object to the issuance of coin certificates, but it must be at the option of the owner of the bullion. He must be allowed to take his gold or silver to the mint and receive therefor either gold or silver coin or coin certificates, at his option. When this is done, prosperity will be assured to this generation, for there is a reasonable probability that the mines will continue indefinitely to furnish a basis for a circulating medium which will be sufficient to supply the wants of the people, encourage production, relieve the burdens of the oppressed, and enable them to pay to their grasping creditors the full measure of the contract by which they are bound. We do not ask for the repudiation of one iota of our obligations, but we demand the right to pay them according to the letter and spirit of the contracts into which we entered. We will agitate, and will not cease agitating until this great wrong is set right and the people of the country are made free from the grasping avarice of the enemies of civilization, who, by legislation, are absorbing all the products of labor and industry. Gentlemen of the Convention, I apologize for detaining you so long.

In the midst of applause from the Convention, Senator Stewart retired from the platform.

MARKET RELATIONS DEFINED.

BY E. D. STARK, OF OHIO.

MR. PRESIDENT AND GENTLEMEN OF THE CONVENTION
—The call for this Convention, by the terms of it, affords matter for profound gratification, in view of so much that has been said amiss of our motives and aims. I trust that in our resolutions and other official utterances we shall hold to the same high level. By the call the subject we are met to consider is placed in its right light. It is carried up out of the pettiness of special interests and placed upon the broad ground of the general good. By such presentation there is imparted to it a worth and dignity which must enlist the attention of every well wisher of this kind. It places our cause where it belongs, to-wit: as a movement promotive of—essential to all the high ends of industrial progress and commercial health and honor—is, indeed, co-ordinate with civilization itself. It appeals to no sectional or class feeling. It does not stand for any particular interest as against the welfare of some other. It is not even narrowly and selfishly patriotic; i. e., patriotic in the sense of trying to appropriate an advantage to our own country, which of right belongs to another. It is much more than patriotic in that narrow sense. It is a cause which, while it may well and rightly, and does naturally, enlist the zeal of a particular industry, yet that zeal is one which cries out of wrong and demands redress for the particular injustice to it of the act of 1873, while the benefit from the restoration of his natural right to the silver miner, is only more palpable and direct, than the benefit which must inure to every productive industry in our land.

So, too, while those whose public spirit is limited by national boundaries, may well fire their hearts over it, yet the triumph of our cause, after permeating with new life and health every wealth-creating activity in our own country, must by the overflow of its beneficence, greatly relieve the industrial strain of Europe as well. Men whose vocation is money-mongering, who deal in securities merely, will oppose us, in the belief that their business will be injured, their capital impaired; but they mistake our animus and are in grievous error as the economic effect of the measure we urge.

*Economic
Effect.*

Ours is not an attack on sound money. There was sound money before 1873, and there will be after 1890. Not one of our adversaries can point out how he has been hurt by the 300 odd millions of silver money fabricated since 1878, or show that it has been anything but a beneficence, an unqualified good all around. Nor is one of them able to give a coherent statement or theory of possible hurt to any one from unlimited coinage. Not even the business of a financial wrecker, so he confines himself to honest salvage and rescue of unavoidable ship-wrecks, and does not take to destroying the beacon lights and other safe guards against the natural perils of financial seas; I say not even the legitimate branches of wrecking will suffer by it. On the contrary, our cause is the cause of every useful industry, of every honest occupation.

It is good practice, now and then, to take a comprehensive survey of the great movements in the past — to take note of our direction by comparison with them, and observe the similarity of obstacles and modes of overcoming them — of all reforms. We can easily find great features of likeness in all ameliorating struggles, and get inspiration from the discovery that we are working in harmony with, and on lines of, universal progress; and our zeal takes on a finer quality, a nobler spirit, than is born of a competitive scramble to get the best in a bargain. When we realize that our cause is in close affiliation with the popular ameliorations which make the historic page radiant, and discover that our wagon, too, is “hitched to a star,” we are not only inspired with new courage and confidence, but a new grandeur and contagion is imparted to our propaganda. In making such a

*The Source of
Courage.*

comprehensive survey let us not lose sight of the boundless possibility for justice and fairness inherent in the common human nature. All over the prairies and the mountains, along the Mohawk, the Mississippi and the Yellowstone, not less to-day than long ago on the hills of Palestine, and the shores of Galilee, are honest, generous men, devoted, faithful women, serving in modesty the ends of social progress; and in a mood more apt for the improvement of mundane conditions than ever before in the world's history, so that we have only to focus the popular intelligence upon the principles of our movement to secure its espousal. Let us not forget either that in a popular government it is this common sense of equity and fair play in the great American heart, to which must be our first, our last and all-the-time appeal against the selfishly perverted views and sinister machinations of the money power. We need have no dread of combines or great creditor interests, or a hired lobby. Nor shall we, in our efforts for repeal, imitate the tactics by which the famous act of 1873 was gotten on the Statute books. We all remember just how, by whom, and for what, one-half million of dollars was raised to carry it through. No living participant is to-day proud to champion that legislation, though many forces conspire to oppose its repeal. But our work is not in that line. Once the public conscience is fairly focused upon it, and is made to see the justice and beneficence of our cause, it will not be in the power of plutocratic cunning to thwart or resist our demands.

It is natural in a general survey of the great reforms in our own country to refer to that one which culminated in the war of emancipation—the period in which, after the revolutionary struggle, high-water mark was reached in philanthropic, heroic achievement in our country. When the national conscience resolved that the maxim of equality before the law, which fired the hearts and nerved the arms of the fathers, should no longer be a “glittering generality” for use in Fourth of July oratory, merely, but should be incorporated in the organic law of the nation, it came to pass that every vestige of hereditary privilege and hereditary attain was erased from the Statutes. It was resolved that

*The Work of
Emancipation.*

every door of opportunity open to the best, should be equally open to the meanest born of our countrymen, And since it was decreed that only at great cost of blood and treasure could that goal be reached, we are content to believe that it was not bought too dearly; but devoutly hope and believe that no similar experience is in store for us in the future. The point I wish to make, however, by the reference is this: that, as now, when the fanaticism of mutual hate and the storm of war is passed, there is not to be found a man but will confess emancipation to have been a blessing all around, and, most of all, to those who thought themselves called to resist to the death the inevitable. So here only a brief period of practical bi-metallism will bring every banker, broker and financier in the country to confess its wisdom and beneficence, and chiefly to themselves. Besides that, we shall be regaled, as always happens in cases, with the amusing protestation of them all, that they were always in favor of unlimited coinage.

But the great question of slavery being disposed of, so far as it is in the federal authority to dispose of it, we are confronted with other problems, not indeed so simple, passionate and grand, as that which called hostile sections to the arbitrament of war, but more subtle and pervasive in its malign workings, problems calling for moral and intellectual insight into the laws of commercial and industrial equity and well-being. Eternal vigilance is the price we must pay to extricate honest toil from the legal coils that combined oppressive greed have throttled it withal.

I well understand how the estimation in which I hold this question in its bearings upon industrial ills, and which I am about to announce, will be accounted as due to the intensiveness of a narrow special study, or, perhaps, as mere platform exaggeration. But confessing to intensive-

ness of its study, I protest it is not a narrow one, but one having due regard to other proffered legislative cures. He must have a dull intelligence and a duller sympathy who does not realize that how to promote an equitable distribution of the common wealth, is the burning question of the hour. I make bold to affirm that not any one of them all, nor all of the panaceas for social ills combined, carry in them the power for good contained in the measure we urge. I refer, of

The One Relief.

course, to measures that are within the scope of federal legislation. "Why do I make so large a claim?" Because it relates to a sound and equitable constitution of money. What is money? It is, as Carey says, the instrument of association. It is the means by which, in which, all trade, all commerce, is carried on—the indispensable machinery of distribution in civilized society. And what is a sound legal constitution of money? A mischievous and wide-spread error obtains here. Inasmuch, as it is the value of money to which regard is had in its practical uses, and the evils of depreciated paper are still fresh in memory, there has come to the front a notion that the greater the value of a dollar the sounder it is, the better it is in all respects. Well, as viewed, from the standpoint of one who is "long" in money, which he is about to employ in buying something, his notion is entirely natural; though narrow, one-sided and selfish. It becomes so habitual in their thinking that bankers and security-mongers are in-

The Long and Short Idea.

capacitated for appreciating any other excellence or criterion of merit in money than that of great and increasing value. Accordingly, they look with jealousy at the natural causes countervailing that value-increase and form gigantic trusts to limit the out-put of the mint, so as to put up and keep up the value of it. So skillful have they been, and so acquiescent the popular belief to their view, that the current opinion is, that this 40 or 50 per cent increase in the value or purchasing power accrued to our money since 1873, is really no change in money but only a change downward in the value of all commodities, silver included; a fallacy as false and insulting to a competent intelligence as is the fact it seeks to vindicate—wicked, cruel and ruinous in its effects upon the industrial health. The special interest of those who are "long" in goods, which they desire to exchange for money, is exactly the reverse. They want a little goods to procure as much money as possible.

If the immediate interest of the parties respectively, in a trade, each higgling to get the most for the least, were all there was in it, there would be little occasion for legislative interference, though considering the greater number interested in good prices and their higher claims to government favor, if either side is to have help, it would be

these. But it is not by that narrow and partial view of one interest as against the other that wise legislation is guided. Money is not merely a form of capital, coming into normal competition with other forms in the market. A dollar is a measure of everything that goes into commerce, and high over and beyond what the holder of it desires, commercial equity and public policy demand that it shall stand steadfast as a *valuator*, as nearly as practicable, or, if any change accrues to it, it shall be in favor of goods. The popular notion, therefore, that bankers understand this question, and that we may safely trust it to them, is a dangerous mistake. This is not a matter of the administration of the public treasury, or the management of the national finances. Nor is it one of sound banking, or of how much paper a given quantity of coin will float. Their training would fit them for these duties. But this is a matter in regard to which, among men of equal general intelligence, bankers are least qualified. I assume they average in selfish-

*Prevailing
Selfishness.*

ness about equally with men of other vocations. That is a sufficiently liberal estimation in their favor. Their class bias, their business training, and intellectual methods, and prepossessions are all disqualifiers. A striking proof of this is furnished by the recent Bankers' Convention at Kansas City. No similar body of merchants, miners, manufacturers or farmers could have broached the subject of monetary legislation, without some reference to the supreme excellence of money, i. e., its fairness and efficiency in its supreme office as a valuator of goods. Their close relation to production, their business instincts and mental habits, must have prompted the inquiry, whether monometalism, if persisted in, would not doom all prices for an indefinite future to a downward slide, as it has for the past fifteen years. Probably not one of those eminent financiers ever climbed up out of his narrow, selfish counting-house coop, far enough—never got high enough in the live-and-let-live principle—to understand or want to understand what is the best money for the general commercial and industrial health. I doubt if it ever has occurred to them that the best legal constitution of money would be that which, without departing from long established definitions, will give the best guarantee of an unvarying valuation of goods, i. e., will keep prices firm, or

at least keep them from protracted depression. Probably everyone of them, singly, and all of them in concert, if catechised upon it, would assure you that low and lowering prices, if not exactly a universal blessing and delight, is yet a sign, and necessary consequence, of industrial expansion, and, of course, if a necessary effect of economic progress, must be good. But not so. Price is a ratio of

two factors, and any adequate study of price-
Price Changes. change must have regard to both factors. The improvement in the arts and appliances of production in recent years have indeed been great—they are the proud trophies of a progressive civilization, and the abundance they bring ought to be an unqualified good. And it would be but for the derangement of the machinery of distribution. The act of 1873, tampered with the measure by which they are transferred, so that it has become a false balance. They tell us the cost of production has lessened, and of course the product must come down. That proposition simply affirms that the mischief we complain of, namely the low price of the product, is distributed through all the processes and constituent elements that go to the making of the finished product, which only shows the intensiveness and extensiveness of the evil we are arraigning. We say prices have fallen all along the line, i. e., the relation between money and goods is abnormal. The one-metalist, admitting the great fall of prices, insist that this argues no change in the value of money, but the whole change is occasioned by the increased efficiency or the productiveness of labor. Leaving, then, the method of computing cost in money terms, let us see if we can not show the essential injustice of a general fall of prices. Let us suppose a days' labor produces twice as many shoes as formerly. Is

The Purchasing Power. that any reason why a dollar should go twice as far in the shoe market as it used to? What has "dollar" ever done to merit that enlargement of purchasing power? By the hypothesis the day's labor has doubled in efficiency. If formerly it produced one pair, selling for \$1, and the workman getting \$1, ought he not now to receive \$2 for his day's labor, and the shoes still sell at \$1 a pair? Though you call the contribution by the same name, to-wit: "a day's labor," it is really a different economic

quantity. It is worth twice as much by reference to its out-put. Or, if you inspect the operative himself, you will find he has brought a better skill, a higher intelligence, a finer fidelity to the labor market. I say it is a mockery of justice for Mr. Dollar to say, "Oh, no, not \$2 a day. I claim the benefit of that increased efficiency. You may have the same old price per day, and we will put shoes down to half a dollar a pair. Your money will buy twice as much in the market, and so your loss will be recouped." If you say my hypothesis takes no account of machinery of invention, superintendence, risk, capital, and the share that belongs to them; I answer that I am making no arraignment of capital, as capital, or denial of the proper share to each of these tributaries to production. They are all in the same case, and for simplicity I group them all as a day's labor, equipped with the modern appliances of efficiency in production, and am urging the superior claim of them combined as against the dollar. So, too, for simplicity, I make shoes the symbol of all products, and an assumed increase of the productivity there to stand for the aggregate industrial advance. I affirm that there is no practicable or theoretical criterion for any economic estimation or appraisal of those agencies, singly or combined, except their output of product, and that, therefore, in its office of valuator of any or all of them—as an instrument of appraisal of them—the dollar ought to be the commercial equivalent, through the

*The Valuator's
Equivalent.*

years, of the same quantity of product, on peril of impeachment for dishonesty. Therefore, I denounce the proposition current with monometalists, that money ought to increase in purchasing power by reason of the great progress and appliances of production. It is a flagrant imposture. In saying this, what am I doing but defending the most familiar maxim and common-place of monetary doctrines? What is money for? What is its chief office? In ninety-nine times out of a hundred it serves simply as a scale for nominal appraisal—its elementary commodity character being lost sight of entirely. What, therefore, is its supreme excellence? When is it doing its work faithfully? When, except when, day after day, month after month, and year after year, it is measuring out about the same aggregate amount of goods, as a

“dollar’s worth.” What other meaning, can the phrase “constancy in value” have, than uniformity in purchasing power, from one year to another; for commercial value is the only kind of value pertinent to the discussion? And what is commercial value, but the amount of other things you can get for it in the market where it is dealt in? There is nothing else to guide one for determining the value of money but the things it will buy. It is the sublimation of inanity to define the value of a money unit in money terms, just as it would be to define the value of a ton of iron in the aliquot parts or multiples of a ton. To find the value of anything you must go into the market where it is dealt in, get the most you can for it, then weigh, measure or count what you have got, for what you have received will be the precise expression of the value of the thing you parted with—for that occasion. To say a dollar is just ten dimes or 100 cents is to define a decimal notation merely. To say it is 100-486ths of a pound sterling, is to give the weight ratio of two pieces of gold,

Observe the imbecility of current statements on this subject of low prices. The value of money is its purchasing power, exactly that and nothing else. Now, when its purchasing power has increased, they tell us it

*The Value of
Money.*

has not increased at all, because the increase is caused by so and so. Whether it has increased or not is a very simple fact, and can be ascertained by an inspection of market reports, and involves no theory of causes. If the market reports show lower prices, then has the value or purchasing power of money increased, no matter what may have caused it. The reports do so show, by universal consent. Why not, then, let the fact stand as a fact confessed? But no, having confessed the increase, they seem smitten with affright at the use that may be made of their concession, and in the next breath make haste to say this appreciation is not in reality any increase in the value of money, because goods are worth less, are produced cheaper. They do not see that this is explaining and justifying an evil condition by simply restating it from the other side. I deny that they are produced more cheaply in any sense justifying a lowering of their prices. A proper constitution of money would foster increase of economizing agencies, without lowering

prices. It would not do to confess any appreciation of gold. Oh, no, gold is just the same — no change in that; 20 shillings to the pound, and 100 cents to the dollar. The weight of the ox has not changed, for just four quarters make him up. The distance of the train has changed, but the distance of the station is just the same!

It will be worth while, perhaps at the risk of being a little tedious, to drive this perpetually recurring fallacy into its hole, and the hole in after it. Wheat was \$1 a bushel. A dollar was worth then four pecks of wheat. Two things that trade, even in their approximate market, are each the value of the other. That is the meaning of the word value in econom-

*Wheat as an
Illustration.*

ics and commerce. Value has no other meaning, and there is no other way to find out how much value any thing has but by trading it for something else. When any one begins to talk about the cost of production, and takes you to the field, the shop or the mine, to show you the real value or worth of a thing by reference to the facts he can pick up there, you may be sure he is either hopelessly befogged in his definitions, or he is trying to throw dust in your eyes. You find the value of a thing by finding what you can get by parting with it. This is just as true of money as of everything else. What each side measures, expresses, is the value of the other in the trade. So with wheat, \$1 a bushel, four pecks is the wheat value of a dollar. Now, wheat falls to 80 cents. A dollar then becomes worth five pecks. Wheat has fallen 20 per cent in money value, and by the same token the dollar has raised 25 per cent in wheat value. Either one of these statements implies the other, just as much as husband implies wife, parent implies child, or sale implies purchase. But it will be said in the case supposed that the change is in the wheat, and not in the dollar, for it is the "*standard*" we measure by. There is no change in either the wheat or the dollar by itself considered, but only in the *rate* at which they exchange, and that takes place to both, and surely the power of wheat to command money has lessened 20 per cent, no more truly than the power of money to command wheat has increased 25 per cent. All this involves no the ory of causes at all. Nor does it have reference to proprieties of speech merely, but does have relation to pre-

cise and competent thinking. The fact of adopting a metal as a legal standard for money does indeed fix the rights and duties between private persons, but does not alter the principle we are contending for.

Relation of the Metals.

Both metals are standards, for that matter — silver for about four-fifths of the race and gold for one-fifth, and the two standards have fallen out of their old-time market relation to each other, and one of them, viz., gold, has also departed from its old-time market relation to goods generally, and the mal-relation of gold to goods is causing distress, hardship and injustice, for the pressure falls in large part directly upon the germinating point of all wealth-producing energy; so that in enterprises of great pith and moment, with this regard, their currents turn awry, and never come to fruition. The ugly fact of hard times, particularly in the staple industries, caused by one-metalism, can not be blinked by the stupid dogma that a standard metal does not change in value.

I should hardly feel warranted in dwelling at such length, upon the reciprocal nature of every change in the market relation of two things, were it not for the inveterate stupidity of foremost men on this very point, and the persistent obstructiveness of the stupidity in their attempts at justifying the present economic situation. Let me read curiosities from high quarters. Her British Majesty referring to the changed market relation of the two metals since 1873, directs her Royal Commission to enquire as to

The English Inquiry.

- “Whether, the said changes are due,
(1.) To the depreciation of Silver; or
(2.) To the appreciation of Gold; or
(3.) To both these causes.”

That is, the horses having started off even you are to find out whether their having got so far apart “is due to” the bay getting so far ahead of the white, or to the white getting so far behind the bay—or “to both these causes.” The question, as put, is utterly empty—is framed by a dotard imbecility for the delectation of those who, having achieved for themselves a parasitic adjustment thereto, worship “things as they are,” the contemptiblest cult a benighted people was ever accursed withal, for it is decay of all high quality. The question means nothing, leads into

boundless inane. But let me read you their brilliant finding:

“We may summarize our conclusions upon this part of the case as follows: We think that the fall in prices of commodities may be in part due to an appreciation of gold, but to what extent this has affected prices we think it impossible to determine with any approach to accuracy.”

That is, the horses having fallen apart may be “in part due to” one having gotten ahead of the other in the race, but to what extent that has operated to put the other behind we cannot tell. Finding such sententious vacuity emanating from that high quarter, I am disposed to take a more charitable view of the brainless utterances of the popular press. But we should mistake if we assume that drivel to be the full measure of the intelligence of that commission. Elsewhere, in their report, the selfish instinct shows itself keenly and meanly alert. They well understand that the concerted action of the western nations in discarding silver

England's Position. is a spoliation of one-third of the assessable value of all other property for the benefit of money, it is, therefore, vain to hope for England's co-operation in remedial legislation. This is their view:

“It must be remembered too, that this country is largely a creditor country of debts payable in gold, and any change which entails a rise in the price of commodities generally; that is to say, a diminution of the purchasing power of gold would be to our disadvantage.”

The most charitable interpretation of their work, I can invent is this: that by long habituation of their thinking to the purely selfish view, it has become impossible for them to comprehend that appreciation of gold is exactly the same fact as a general fall of prices, and that their admission of stable, normal (silver) prices in India is confession of superiority of silver in stability of value.

But, gentlemen, let us rejoice in the prospect of an improved popular intelligence, by reason of the propaganda this convention will inaugurate and organize. Let us have no more monetary legislation manipulated by security mongers. Let the wealth-creating agencies come to the fore and money become the servant of goods. The United States of America can play a lone hand, and ask no odds

of any nation on the globe. We cannot help an ultimate overflow of benefit to industrial Europe sure to follow our initiative. But there will come to us in larger measure the reward of this great ameliorating agency, and some of us here will live to see this country assume the commercial and monetary hegemony of the world.

A COMPARISON OF GROWTHS.

BY HON. H. B. KELLY, OF MCPHERSON, KAN.

The question of "Free Coinage," or "Full Coinage" of silver under the present law involves two propositions, the first having reference to the world's standard of values, while the second has reference more particularly to the volume of circulating money in the country. The argument for free coinage rests upon the demand for an increase in the volume of the world's standard of values. The argument for "full" coinage may go no further than the demand for an increase in the volume of money in this country, without reference to any enlargement of the volume of the standard of values.

Gold is the standard by which the value of other moneys, paper and silver is measured, the values of these moneys being determined by the facility with which they may be exchanged for gold; hence as gold is a standard of a very greatly restricted volume as compared with the world's commercial transactions, so must the volume of silver and paper money interchangeable with this gold standard of necessity be restricted in a like ratio, with the volume of gold. Gold being the standard by which the volume and hence the value of circulating money is determined, it is therefore the standard by which the price of labor and its products is measured. As the volume of the standard of values is diminished, so in a corresponding ratio is its purchasing power augmented, and in an increasing ratio with the augmentation of the power of the standard, so is the decline in the price of labor and its products. The free

coinage of silver and its general acceptance by the world as a co-associate with gold as a standard of value would prove the great liberator of labor from the oppression to which it is subjected. A coin standard, rather than a gold standard, not the double standard of two metals, giving the world a standard of double the capacity of the gold, giving the standard a growth commensurate with the growth of production and business of the last thirty years.

Paper money, or demand notes, constitute the money of business transactions. Paper is the world's medium of exchange in business, and as the volume *The True Basis.* must increase with the growth of business, so must the standard by which paper is valued and the base upon which it rests grow in a like ratio with the growing demands of the business of an advancing civilization. The population or per capita basis for approximating the required circulation of older countries where production is a fixed annual quantity and where business follows established lines, cannot be made to apply here, where development and improvement are rapid and where changes in condition of population are continuous, no more than can a growing boy be clothed year after year by the same fixed standard of measurement.

Currency is any invention of civilization by which commerce and trade are carried on, and just as civilization advances so is there a growing demand for the use of currency. A pastoral people, living in tents and feeding and clothing themselves, have no use for this circulating medium, while the many new enterprises that spring up with our growing civilization, the increasing army of wage workers, a class receiving and expending its earning in currency, demands in a corresponding ratio a growth in the volume of circulating money. The extension of settlements remote from business centers, calls for a wider distribution of money circulation, making it less responsive to business demands. The growing volume of *Extension and Diversity of Business.* railroad and other stocks and bonds, necessitates an increasing aggregation of money at the great commercial centers, with which to handle this class of securities, and this growth is far beyond the ratio of increase in population, so that an adequate circulation at the present time for all business demands might without

changing ratio to population prove wholly inadequate a few years hence, and, as ours is a country of rapidly changing conditions, it is important that this be kept in view in adjusting currency circulation.

The rapidity of the change that is transpiring appears in part in the growth, from 1870 to 1880; in the industrial classes the number engaged in agriculture having increased during the last decade but 29 per cent, while the non-agricultural classes increased 50 per cent at the same time, and as development in mining, manufacturing and transportation has been more rapid the present than during the last decade, it is safe to estimate two-thirds of our entire industrial population at the present time engaged in other pursuits than farming.

In my efforts to detect so much of the difficulty as might be traceable to shortage in our circulation, the population standard proved of no value, as its application revealed but little per capita change, but when business growth was compared to currency growth, it was like an electric blaze turned upon a picture in a dark corner, the lines and defects appearing as they had not before.

If this standard has heretofore been applied, it has escaped my observation. Hence, I desire particularly to call attention to this thought: "currency growth compared with business growth."

The blight that rests upon the country, while it permeates all lines of business, falls most heavily upon agriculture in ruinously low prices, for the reason that the farm can not shut off the engine of production at will, nor hold products for better prices. The diseases in our commercial system are widespread, and organization in all pursuits is being effected for the purpose of detecting and remedying the evil. Farmers, always the conservative element in all matters of great import, loyal as a class to the best interests of government, becoming discouraged with the long-drawn-out depression, are casting about for the purpose of relief, if it be possible to find it.

Upon the per capita reckoning a sufficient circulation for the older countries of Europe would prove inadequate

here, as production costs more, population is more widely distributed, development and improvement greater, municipal indebtedness greater; hence a greater percentage of the circulation is always locked up in sinking funds to meet maturing bonds. And yet when measured by population, production and material wealth, while the United States is the richest country on the globe, in circulating money we are poorer than France or England, notwithstanding our requirements are greater than either.

The fifteen years from 1874 to 1888, inclusive, divides into three separate and distinct financial and commercial periods of five years each, as follows: The first, 1874 to 1878, inclusive, was the period preparatory to resumption of specie payments, during which the volume of currency was diminished 11 per cent, which, with a development during the time of perhaps 20 per cent in production and business, created a wide gap between currency supply and demand, hence a decline in the price of farm staples of 33 per cent and an increase of 40 per cent in the number of failures.

The second period, 1879 to 1883, inclusive, circulation was augmented 93 per cent by resumption of specie payments and by a large coinage of domestic and import gold, followed by an advance in prices of farm staples of 30 per cent and a decrease of 36 per cent in the number of failures.

During the third period, 1884 to 1888, inclusive, growth in volume of currency fell 18 per cent short of growth of production and business, prices of farm staples declined 15 per cent, failures increased in number 23 per cent, and in amount involved 45 per cent. Of these three periods the two in which the volume of currency failed to keep pace with the growth of business were characterized by financial depression, low prices and business failures. This period, in which we had a growing circulation, was marked by activity, good prices and financial prosperity.

Failures stood in the period of diminishing currency, 1874 to 1878, one in 78; in the period of currency expansion, 1879 to 1883, one in 123; in the period of currency stagnation, 1884 to 1888, one in 93. During this last period our coinage

The Per Capita Basis.

Three Striking Contrasts.

Ratio of Failures.

amounted to but \$295,000,000 ; \$25,000,000 of which was sent abroad, as against \$445,000,000 coined during the second or prosperous period. As the enlargement of individual business requires an increase of money with which to carry it on, so it is with the whole people.

I by no means lose sight of supply and demand as important factors in determining prices, nor of the general decline by reason of the great competition from improved methods of production and cheapened transportation, carrying the products of the world into the same market to which we send our surplus, neither of the loss sustained by reason thereof, during five years, of 40 per cent in our exports of bread and beef stuffs. Yet primarily the extent of the standard of values and the volume of money responding to business demands, determines relatively the quantity that a given amount of labor or products will command.

With the growth then of production and of commercial development, so in a corresponding ratio should be the increase of our currency circulation, independent of any per capita basis. In comparing the growth of the volume of currency with the growth of production, consumption and commercial development, I submit the following estimates of the percentage of growth in the total staple products, and some of the more important lines of business for the third period, 1884 to 1888, inclusive, as compared with like products and business for the whole of the second period, 1879 to 1883, inclusive. The total volume of cereals produced for the period 1884 to 1888, inclusive, show an aggregate increase of 16 per cent over the total volume for the preceding period, 1879 to 1883. The product of cotton increased 5 per cent ; hay, 17 per cent ; tobacco, 12 per cent ; live stock, 17 per cent ; wool, 23 per cent ; average increase of farm products, 15 per cent. Increased output of pig iron, 33 per cent ; coal, 41 per cent ; salt, 12 per cent ; average increase of mine products, 28 per cent ; steel production increased 30 per cent ; manufacturers of wool, 25 per cent ; cotton manufactures for export, 8 per cent ; increase in the number of cotton factories, 25 per cent. In the number of national banks, 20 per cent ; in the number of post offices, 22 per cent ; in-

*Currency, Pro-
duction, De-
velopment.*

crease in railroad mileage, 28 per cent; telegraph mileage, 18 per cent; railroad gross receipts, 22 per cent; telegraph gross earnings, 21 per cent; increase in number of tons of freight hauled on railroads, 27 per cent; in number of passengers transported, 22 per cent; increase in amount of railroad stocks and bonds, 56 per cent; increase in capital stock of New England manufactories, 10 per cent; increase in amount received in life insurance policies, 57 per cent; increase in acres of public lands taken up, 72 per cent; increased cost of public schools, 24 per cent; increased receipts of post office department, 23 per cent; increase in consumption of wheat, 7 per cent; corn and corn meal, 7 per cent; sugar, 30; liquors, 28. The gross annual receipts of railroads, telegraphs, postal department and receipts on life insurance policies for each year from 1879 to 1883, absorbed but 71 per cent of our gross annual circulation, while for each year from 1884 to 1888 the absorption was 79 per cent. From 1874 to 1878, a period of shrinking currency, our annual volume of money was 13 per cent of the total amount of railroad stocks and bonds, from 1879 to 1883 it was 19 per cent, and from 1884 to 1888 but 16 per cent.

The increase in the foregoing staples of the farm, the mine, the factory, transportation, communication, consumption and lines of business for the five years ending with the close of 1888, as compared with the five years ending with the close of 1883, make an average increase of 24 to 25 per cent. This is the growth of five years over the volume of production and business for the previous five years, and to meet this 25 per cent growth in business, we have but a 7 per cent increase in circulation over the volume of circulation of the previous period of five years.

Is it not plain from these figures that the increase in the volume of the currency during the same time, while coming about up to the growth of population, falls far short of the increased demands of the present larger production, consumption and commercial transaction?

In the development of production and trade we have applied the distinctively American policy of protection to our industries, while in monetary matters we have been without a definite policy, and for want of one we have been drifting in the line

The Currency Shortage.

Lack of an American Policy.

of England's monetary system. We are producing farm staples according to the American standard of labor values and selling them in the markets measured by the European standard of values. While we have protected American labor and production, England has been applying her standard of values in measurement of the price of farm staples. She is both shop-keeper and banker, and, as we do not permit her to enter our markets with her cheap goods, why accept her single monetary standard in measurement of the price of our products? Why protect labor in the shop and permit our rival to price labor in the field, thereby in a degree paralyzing the effects of protection? It is like fencing a field to keep stock out, and then leave the gate open, through which the whole herd may pass. I would not pull down the fence, but close up all the gaps and make protection complete—measure the products of farm labor, as well as all other, with an American standard.

A standard of values restricted to gold gives Great Britain large control of the labor and products of all countries with which she has established commercial relations. Such standard making up in cheap products of the field, the loss her shops sustain where shut out of the markets of raw material producing countries, such countries selling her their surplus staples weighed on British scales, adjusted to British interests rather than adjusted to secure equity to the producer. The increasing purchasing power of gold is the secret of Great Britain's success as a manufacturer, as it gives her the surplus food and raw materials of the world, at prices of production not above that paid her own labor, the effect being the impoverishment of labor, whether it be sold indirectly in the products of the soil, or directly for a stipulated per diem, by transferring products from producing to non-producing classes, at prices scarcely above the requirements for subsistence. The cry of distress going up from labor throughout the world is the result of depriving it of its fair share of labor's profits due to the short standard of measurement applied in valuation of its products.

The ability to determine the price implies the ability to destroy the value of labor and naming the standard by which labor's products are measured, is equivalent to fixing the price.

What It Means.

An approach even in part to the single standard of a re-

stricted currency invites bankruptcy to agriculture, poverty to labor, and stagnation to business. Hence, the monopoly of gold in measuring prices should be broken, and, while we can not do it all, we should lead in the move looking to a monetary congress of all those countries that produce surplus food and raw materials, that a standard of values may be established conforming to the increased requirements of the world's growing production and business.

As this country has outgrown its money circulation so the world has outgrown its gold supply, and to continue transferring the fruits of labor from producer to non-producer by this short standard measurement is the gigantic wrong of nineteenth century civilization, perpetrated upon the labor throughout the world.

Among all civilized peoples the United States is foremost in wealth production, standing pre-eminently as the great producer of bread and meats, our entire structure resting upon the prosperity of labor, the very life of government depending upon the contentment and loyalty of the laboring millions; therefore we cannot afford to allow the labor of shop or field deprived of its just rewards. Our prosperity lies in the increased value of property, and not in an enhancement of the purchasing power of money, hence we should have the largest volume of money consistent with sound currency.

Mono-metalists say we must adhere to the English system, in the interests of foreign trade. But the principle of American protection is to care first for home; and as our home protection, trade and commerce is estimated annually about \$30,000,000,000, against a foreign trade aggregating about \$1,500,000,000 or but one-twentieth of the home trade, does it not seem poor economy to take care of the inferior at the expense of the greater?

But it is asked, where is the difference, if agriculture receives less for its products and buys more for its money?

Difference to the Farmer. The difference lies in this, that the farmer sells more than he buys, hence with an enlarged standard of values and a cheaper money his accumulations will be greater. The short standard of measurement falls with crushing weight upon the producer, the dealer suffering mainly in the loss of trade when the producer becomes crippled.

Consistent then with the American idea, protection should be extended to the standard by which the product is measured as fully as to production. The basis upon which trade and commerce rests should have equal protection with trade and commerce. The single standard British policy of finance is too narrow, too restricted to afford a sufficient foundation for the magnificent industrial and commercial structure we are rearing. The base at present is so contracted that the structure, like an inverted pyramid, is top heavy. We need a broader base, a larger standard of values to avoid toppling over. Our business is outgrowing our money; the credit side of the account is becoming too large for cash. Toppling over is threatened in the spectre of financial crisis in the east when the money comes west to move crops, and it appears in a monetary dearth in the west when the money is sent east to pay coupons and to purchase the products of factory and shop. We see it is threatened in diminishing prices for our surplus products consumed by Great Britain and in the increasing number of failures in the last five years. We see it in the steady departure of coin to pay balances against us in foreign trade, the result in part of the increasing purchasing power of gold, the standard applied to our export, bread and meat, and which in turn measures the entire product consumed at home.

This country should have a domestic currency to meet an expanding domestic production and trade, allowing the gold to take care of the foreign. without, however, crippling the greater volume of domestic commerce and the many new fields of industry steadily calling for an increase above our present supply.

From whence is the increase to come? Our gold product is already being utilized annually, while national bank circulation is growing less. Silver and Treasury notes constitute our only resources. Silver is an American product, and should unite to enlarge the standard, and Treasury notes should constitute our circulating money. The government having assumed the responsibility of issuing and superintending the circulation, it is the duty of congress to provide for such information as will from time to time tend to show

*Outgrowing
Our Money.*

*Silver the Only
Resource.*

the growing demand for currency, and then to provide the necessary volume.

The present conditions are very similar to those that attained in 1878, and relief came then with a large increase in the volume of money by resumption; a similar increase is needed at this time.

The full coinage of silver with our gold coinage would no more than keep pace with our growing business, leaving the present shortage unprovided for. An issue of Treasury notes to the extent of \$200,000,000 would do no more than restore the volume of money at once to where business requires it.

An American Policy. There should be no further delay in establishing a permanent monetary system, and, as it is plain that paper must of necessity constitute a part of our currency, who has a better paper to offer, or whose notes have proven more acceptable to the people than the notes of the government?

At present too great a percentage of our currency is subject to call by foreign countries. Our circulation is too largely dependent upon the seasons and crops of other countries, without reference to our own production. With steady development we suffer all the evils of a shrinking currency when the volume of currency fails to grow with the growth of business, and one of the greatest evils of our circulation is the liability to fluctuation.

As we have given marvelous stimulus to production and commerce under our American industrial policy, may we not likewise stimulate activity in business and the return of prosperity through the adoption of an American monetary policy, coining equally our entire gold and silver product as an American standard of values, with legal-tender Treasury notes in sufficient quantity, interchangeable with coin, to constitute our money of circulation.

THE SCARCITY AND APPRECIATION OF GOLD.

BY HON. G. G. SYMES, OF COLORADO.

MR. PRESIDENT AND GENTLEMEN OF THE CONVENTION—

I have been invited by the Committee to discuss the question "Has Gold appreciated or Silver depreciated in Value?" The monometalists have contended, and some of them are still contending, that there is no appreciation or scarcity of gold; that the rates of discount would be higher if gold was scarce, and that there is a great deal of gold at the money counters. This is the old fallacy of many theoretical economists, repeated to support the assertion that gold is not scarce, or appreciating in value. When contraction of the currency is going on, when times are hard, business and trade dull, little or no sale for property, forced and auction sales at a sacrifice to pay debts, productive industries at a standstill, money being withdrawn from speculative investments to the money centers, and prices generally falling as a result. This class of economists always contend that money is not scarce or dear. They point to the facts that rates of discount and interest are low; that money can be had on call at two to four per cent, and borrowed at four to six per cent on first-class securities, at the money centers, as arguments to support their assertions. It is surprising how many have been misled by this kind of argument. Large quantities of money in the banks at the money centers, which can be loaned on call and on what is called "undoubted security," at low rates of interest, is, as the lawyer would say, "the best evidence of which

*The Scarcity of
Money Argu-
ment.*

the case is susceptible to prove" that money is generally scarce throughout the country; that there is little or no money being sent out for investment; trade and industries stagnant, and a contraction of the circulating medium going on. A person who has studied the actual facts that always exist during the periods we call "hard times," and the natural inductions from them will not controvert these evidences of a general scarcity of money. The money of the country is not distributed among the producing classes to the extent it should be, and the tendency is too much towards the accumulation of money at the large centers. This money can be borrowed on collateral security near where it is held at low rates of interest. And this is the money the gold monometalists call cheap money, and say it is not scarce. This is to them an evidence that gold is not scarce, and that an insufficient supply of gold and the suspension of the free coinage of silver were not the causes of the depreciation of the gold price of silver, and the general depression of trade and industry since the era of silver demonetization. Sauerbeck, one of the ablest writers on the subject says:

"The contentions of some economists, that we have quite enough money in our country, or that there is sufficient gold to carry on the trade of the world, are valueless. They assume there is a certain quantity required which need not be increased in case of large transportations. Of course there is enough gold, and we could perhaps do with half the quantity, it only depends upon the state of prices, but it is not the question whether there is enough gold to carry on the trade of the world, or of a particular country, but whether there is enough to carry it on at a certain average range of prices to which we have been accustomed."

Begging the Question.

This is a very clear statement of the question. If the gold supply was reduced one-half, silver entirely demonetized, these economists would say business was going on just the same, and there was plenty of gold to do it with. But as a result of such contraction of the measure of value, prices of commodities would fall about fifty per cent; all permanent property would shrink about one-half in value; we would pass through a series of financial disasters and hard times; and many would be bankrupted in reaching the new status, and relative changes in the value of money and property. After the new order of things and basis of values was reached there would still be gold enough to

carry on the business. It would require only one-half the amount after the new condition and basis was reached, and the monometalists would still argue that gold was not scarce. I may add that this class of persons would be

The Aim of the Monometalists. happy, because all their bonds, credits and fixed incomes would be doubled in value.

This illustration of the positions assumed and arguments advanced by the monometalists is shown by their writings and speeches since the demonetization of silver by Germany and other countries, in their labored and persistent efforts to show that gold was not scarce, and had not risen in value, and that the contraction of the money metal, brought about by demonetization, had not been a leading cause of the depression in trade and industries, and the almost continuous fall in prices.

The late Mr. Ernest Seyd, and other able bi-metalists and economists, have pointed out how the demonetization of silver must result in a scarcity of and rise in the value of gold, a fall in prices, and a general depression in trade and industry. All they said was dogmatically denied by the monometalists of England, Germany and the United States. In a few years, trade and industry became so much depressed in these countries, that there was a general outcry for relief of some kind. In August, 1885, the British Government appointed a Royal Commission to inquire into the causes of this depression, and the general decline in prices. This commission took the testimony of the ablest economists and experts the world over. One of the inquiries specially made by this learned commission was, in their own language, "as to the fall in prices, or appreciation of the standard of value." They assume that a general fall in prices shows an appreciation of the standard or measure of value, and that a scarcity of gold and consequent appreciation of the standard of value was certainly one of the leading causes of the general fall in prices. The commission, in their third report, say:

Report of the Royal Commission.

"In recent years the purchasing power of gold has increased, or in other words, the prices of commodities in general, as measured by the gold standard, have fallen; and this appreciation of gold, taken in combination with other circumstances, has disturbed the relations between the two precious metals.

“An inconvenient depreciation of silver, as measured in gold, has for some time prevailed and is still proceeding.

“Not only has the supply of gold diminished, but the demand for it has increased.

“That is to say, the actual production of gold from the mines has declined while the demand for it has been largely increased by its substitution for silver in the coinages of Germany and other countries.

“The commission recommend that a special inquiry should be instituted upon this subject.”

In the final report of the commission, made December 22, 1886, they said:

“We expressed in our third report the opinion that this fall in prices, so far as it had been caused by an appreciation of the standard of value, was a matter deserving of the most serious independent inquiry. But we desire to give it a leading place in the enumeration of the influences which have tended to produce the present depression.”

This was perhaps one of the ablest commissions that ever made a thorough investigation and inquiry into these important economic subjects. It was composed of twenty-three members, a number of whom are distinguished as statesmen and economists.

The Commission and its Conclusions. They took the testimony of many witnesses as experts, gentlemen of international reputation, and specialists practically versed in the different branches of trade, finance, commerce and the productive industries. They took the opinions of many of the leading trades, commercial and industrial associations. They extended their inquiries throughout the commercial world. They unanimously conclude:

That gold has greatly appreciated in value;

That it has become scarce;

That it is a leading cause of the general depression in trade and industry; and

That the rise in the value of gold and its scarcity has been caused by the demonetization of silver and the falling off in the supply of gold.

I submit, Mr. President, that the deliberate findings and judgment of this distinguished commission, after they had taken and considered the testimony of so many able experts, both monometalists and bi-metalists, are entitled to more weight than the writings or opinions of a few theoretical economists, college professors, and advocates of gold monometalism. It may be fairly said that nearly all the

legislation of the governments of the commercial world, after 1873, directly and necessarily tended to create a scarcity, and cause a rise in the exchangeable value, of gold, with commodities, and the appreciation of its intrinsic value. The establishment of the gold in place of the silver standard by Germany; the changing of silver for the gold standard by Denmark, Sweden and Norway; the partial change towards a gold standard in Holland; the resumption of specie payments by the United States, on practically a gold basis, must naturally have resulted in a scarcity and appreciation of gold. This legislation, which may be called the artificial or legislative method of advancing gold and depreciating the gold value of silver, caused Germany to absorb from the stock of other countries about \$500,000,000 of gold; caused Italy to purchase abroad and import about \$100,000,000; caused Holland, Denmark, Sweden and Norway to import and absorb from the gold stock many millions more, and caused the United States to lock up \$100,000,000 of gold for the redemption of the United States notes, and keep about \$100,000,000 more locked up for other purposes supposed to be necessary to properly maintain her gold fiscal policy, and prepare her to meet some imaginary "gold obligations" (said to exist by the highest officers of the Government, but which, in fact or law, did not exist), and also caused this country to not only absorb all the product of our mines, over \$30,000,000 per annum, but to import from the stock of other countries during the seven years from 1878 to 1885, net, \$200,000,000. These are

Its Results Summed up. some of the leading causes which made gold scarce and appreciated its value. They were the necessary results of the legislation which demonetized silver, closed the mints of the Latin Union, substituted gold for the bi-metallic and silver standards, and undertook to make the small stock and decreasing supply of gold perform the office before performed by both metals. And yet Professor Sumner gravely says, the idea that legislation affects values is "the root error of a dozen mischievous fallacies." Other monometalists contend for the same, and bring forward abstract propositions, dogmatic assertions and labored theoretical arguments to support them.

Mr. President, any person who will study the actual

occurrences that followed this legislation of the demonetization era, and contend that it had no effect upon values, the price of commodities, and the appreciation of the exchangeable value of gold, and the depreciation of the gold price of silver, is too abstract and theoretical in the solution of practical problems to be of value outside the closet where he belongs. I have attempted to show on other occasions that all their predictions and prophecies in this regard had proven to be erroneous. I cannot pursue it here. As Mr. Ernest Seyd has stated, "the greatest difficulty in the way is the extreme doctrinal bigotry with which the majority of our living economists and financial writers still adhere to the gold valuation." The same class of economists have contended that the legislation demonetizing silver did not depreciate it, and that free coinage would not appreciate its gold value. The Select Committee of

*Cause of Silver's
Depreciation.*

the House of Commons in its report made in July, 1876, on the causes of the depreciation of the price of silver, reviewed this legislation demonetizing silver, and showed it was the cause of its depreciation. The committee said, regarding the future probable price of silver:

"It must depend upon the action taken by the various countries where the question of the currency is still unsettled. Your committee on this point would simply remark, that, if effect should be given to the policy of substituting gold for silver, and giving gold the preference, and thus displacing silver from the place it has always occupied, of doing the work of the currency over at least as large an area as gold, no possible limits could be assigned to the further fall in its value, which would inevitably take place."

This was not a bi-metallic committee, but they had to conclude that the legislation against silver would inevitably depreciate its gold value. The gold bug theorists, however, insist as above shown, that legislation can have no effect upon the price of commodities, or value of the precious metals.

During the same period many other natural and indirect causes have existed, which tended to make scarce and increase the value of gold. The gold product of the world has fallen off very fast. It has decreased

*Production and
Consumption
of Gold.*

over \$20,000,000 per annum, in the United States. It fell from \$51,000,000 in 1878, to \$31,000,000 in 1884, and has since remained at \$30,000,000 to \$33,000,000. The world's product fell off from

\$133,000,000 in 1870, to \$115,000,000 in 1880, and to \$100,000,000 in 1883, and has averaged about that since; a decrease of \$33,000,000 per annum, since 1870. The consumption of gold in the arts and manufactures has largely increased. In the United States it has increased from about \$10,00,000 in 1880, to over \$16,000,000 in 1889.

The world's consumption has increased, until some high authorities claim that all the current product of the mines is consumed in this way, leaving none to repair the loss by accident or abrasion of coin, or the exports to India. Dr. Soetbeer estimates over \$61,000,000 per annum, consumed in the arts. The exports of gold to India have increased. They were about \$7,000,000 in 1880, while from 1881 to 1885, the annual net exports to India were \$20,000,000. The history of the drain of the precious metals to India and the East is important to be considered. A late writer estimates that over one thousand millions of gold has been exported to India, in comparatively recent times. India and the East are the graves from whence no precious metals return.

*Exports to
India and
the East.*

The world's coinage of gold has increased from \$105,000,000 in 1879 to \$125,000,000 in 1887, and \$135,000,000 in 1888, an increase of \$30,000,000 per annum. Dr. Soetbeer estimates the available supply of gold for coinage from 1871 to 1880, at \$50,000,000 per annum, and since 1881, at only \$20,000,000 per annum, a falling off of \$30,000,000 per annum. And as shown, many of the best authorities claim that there is little or no gold left out of the current supply for coinage. Where is this immense demand for coinage to come from? If the amounts used in the arts, exported to India, and lost by accident and abrasion are considered, there would seem to be no gold left out of the current product to supply the demand for coinage. These estimates may be too high or too low—they can only approximate to correctness—but it is certain that only a small part of the annual product of the mines is left available for coinage, and the increased demand for coinage, now over \$125,000,000 per annum, must be drawn from the world's common stock, less the amount of recoinage.

During this period of diminution in supply and increase in demand of gold, the accumulation and value of property and commodities has been immense, and the volume of exchange, trade and commerce almost beyond computation. During the twenty years, from 1860 to 1880, the value of property in the United States increased 214 per cent. The foreign commerce during these twenty years was 40 per cent more than all the commerce of the United States from the revolution to 1860. The internal commerce of our country passed all precedent, and almost comprehension. It is more than twenty times greater than all our foreign commerce. The trade, commerce and commodities of the commercial world have largely increased during the same period. The population of the United States has increased about 50 per cent, and that of Europe about 20 per cent since 1873. If the production of gold and the supply available for coinage had not decreased there would still have been a scarcity and appreciation of it.

If, Mr. President, there is any way to prevent this scarcity and continued increase in the purchasing power of gold and fall of prices, except by the remonetization of silver, that way has not been pointed out by the monometalists or their theoretical advocates. If they would point out some practical way to supply this increased demand required for the circulating medium and measure of value other than the free coinage of silver, we might place more reliance in their theories and predictions. As Dr. Laueleye says, after summing up the facts showing the insufficiency of the gold supply, "it can no longer be concealed that the gold budget presents really an alarming aspect."

It had been supposed, before the modern gold monometalist wrote, that contraction of the currency always appreciated its value or purchasing power. This applies to any kind of currency, whether gold, silver, or convertible or irredeemable paper. Contraction may be brought about in different ways. It may be the result of a falling off by export or withdrawal, or demonetization of a part of the legal tender money; or the amount may remain stationary, and the country may so increase in population, property, trade

*Increase in
Property,
Commerce, Etc.*

*The One Solu-
tion.*

*Two Ways of
Contraction.*

and commerce as to cause such contraction. Much of the contraction in the United States during the past few years has been brought about in this latter way.

From Montesquien, to our late director of the mint, Burchard, it has been stated and conceded that an increase or decrease in the supply of the precious metals used as the measure of value had an important influence on the purchasing power of money and the price of commodities.

The opinions and recommendations of the commission above referred to caused the appointment of another Royal Commission, specially authorized and enjoined to investigate the recent changes in the relative value of the precious metals, and especially to inquire whether such changes are due—

To the depreciation of silver; or

To the appreciation of gold; or

To both these causes.

If this commission found the change due to the rise in gold, they were to inquire whether the appreciation arose from a diminution of supply or increase of demand, or from both. A very exhaustive investigation

The Second Commission. of these questions was made. Many among the ablest experts and money economists in the world gave their testimony. The commission was said to be composed of six monometalists and six bi-metalists. They did not agree in their conclusions upon some questions, but did agree upon several propositions and facts before disputed. In their report, signed by all the commissioners, and in the other two reports, all agree that it was the closing of the mints of the Latin Union and the United States to the free coinage of silver that caused the great divergence in the relative value of the two metals, and the great fall in the gold price of silver. They say in their final report, page 58:

“Now, undoubtedly, the date which forms the dividing line between an epoch of approximate fixity in the relative value of gold and silver, and one of marked stability, is the year when the bi-metallic system which had previously been in force in the Latin Union ceased to be in full operation, and we are irresistably led to the conclusion that the operation of that system, establishes as it was in countries the population and commerce of which were considerable, exerted a material influence upon the relative value of the two metals.

“The fact that the owner of silver could, in the last resort, take it to those mints and have it converted into coin, which would purchase commodities at the ratio of $15\frac{1}{2}$ of silver to 1 of gold, would, in our opinion, be likely to effect the price of silver in the market generally, whoever the purchaser and for whatever country destined. It would enable the seller to stand out for a price approximating to the legal ratio, and would tend to keep the market steady at about that point.”

The commission further state, what is most too well known to repeat, that for over seventy years prior to 1873, while free coinage of silver existed in the United States and many of the countries of Europe, the average variation in the price of silver in the London market was little more than 1 pence per ounce, and in a few years after closing the mints to free coinage the gold price of silver fell over 10 pence per ounce. They further show that when gold depreciated in relation to commodities, and prices rose on account of the great influx of gold, from 1849 to 1856, the silver price of gold did not fall, or the gold price of silver rise, because there was free coinage of both metals.

I have quoted this unanimous opinion of the twelve commissioners, the six monometalists, as well as the six bi-metalists, as they are said to be, because many theoretical economists and gold monometalists have persistently contended that it was not the closing of the mints to the free coinage of silver that caused the fall in its gold value. They say it was the great increase in the production of silver, or what they call an over production, and the superiority and preference for gold as the sole standard of value, that caused the depreciation in the gold value of silver; that no statutes opening or closing mints to free coinage could overcome the law of supply and demand, and other abstract theories. Much testimony to support this theory was given before the commission. It is not inexplicable, Mr. President, that so many gold monometalists have contended that the closing of mints to the free coinage of silver was not the principal cause of depreciating its gold value. It would seem apparent to an ordinary mind that when a person having silver to sell can take it to the mints and obtain in exchange for it as many legal tender dollars as there are $412\frac{1}{2}$ grains of standard silver, he would not sell it for much less than \$1.29 per ounce, in this country, and

*The Sudden
Change in
Basis.*

*A Convincing
Illustration.*

not less than \$1.32 per ounce in Europe, where they coin at $15\frac{1}{2}$ to 1 of gold, making silver there worth about 3 per cent more than in the United States, where we coin at 16 to 1. Before 1873, this made the bullion value of American coin worth about 3 per cent more than its nominal or coinage value, and about 3 per cent more than the bullion value of gold dollars. The result was the silver dollars were picked up by the bullion brokers, exported to Europe, where they were recoinced at $15\frac{1}{2}$ to 1 of gold, and a good profit made by the operation. The silversmiths gathered them up in exchange for gold coin and melted them for manufacture into silver plate, because they could obtain silver bullion in this way about 3 per cent cheaper than by the purchase of bullion in the market. The monometalists urged this as a reason why Congress should demonetize silver. From 1870 to 1873 they continually said it was useless to coin silver dollars because they said they could not be kept in circulation. They were

Wrought by Demonetization.

all exported for recoinage or put into the melting pot. After they succeeded in demonetizing them they vigorously opposed the Bland bill because they said silver had depreciated so much, the cheap dollars would not circulate. I mention this, in passing, to show the patriotic consistency of the gold bugs. Their writings during that period are unique, when compared with their positions since. The then comptroller urged demonetization for the reason that the silver dollar brought such a premium they could not be kept in circulation. Now he opposes coinage because they are not worth enough.

Where free coinage exists, the bullion or intrinsic value of a silver dollar must be approximately the same as the nominal or coinage value. The only mystery that will occur to the next generations, when reading the literature of the demonetization era will be, why need such self-evident propositions be disputed and so much written by gold monometalists in their attempts to prove the opposite? Why was it necessary for Royal Commissions and select committees to take expert testimony and make findings to support it?

Free coinage of gold exists in the principal commercial countries. As a consequence, the bullion value of gold coin is practically the same as its coinage value. Why can

not a bullion broker or goldsmith purchase the amount of bullion contained in a \$20 gold piece for practically less than \$20? Does it take a Royal Commission to decide that it is because the owner of the bullion can take it to a mint or assay office and get twenty legal-tender gold dollars for it? If a gold miner in the Rocky Mountains should accept less than a dollar for every 25.8 grains of standard gold in his gold brick, he would be accused in that altitude of having softening of the brain. And when silver is placed on an equality with gold before the law, by free coinage, as it is sure to be in the near future, the same rule will apply to the silver miner.

The question still most disputed and written about is whether the fall in the gold price of silver and the appreciation of or increase in the purchase power of gold has been the cause of the great and general fall in prices that has specially characterized the demonetization era. The theoretical monometalists attribute the fall to causes other than the appreciation of the changeable value of gold. They con-

The Fall in Prices. tend that the increased facilities of communication, a diminution of the number of middle men between the producer and the consumer, an alleged diminution of speculation, that crops have been larger, and cost of raising and marketing them less; that manufacturers have increased and the cost of production become cheaper; that all these have caused the fall in prices, and an overproduction the depression in trade and the industries. Arthur Crump has written quite a book, and labored hard to support this theory, the present year, entitled "Causes of the Great Fall in Prices." The last ten years have produced a wilderness of literature and thought upon the subject. The limits of this address prevent a review of it. They say there has been no appreciation of gold; that gold has remained stationary, while silver and other commodities have fallen; that the fall in prices has been the result of causes acting directly on the commodities, and which depreciate them, and not from any causes which operate directly on gold and appreciate it. This is a fair statement of their position. Much testimony was given and astute reasoning indulged in before the last Royal Commission on this subject. The gold standard

theorists can not deny that the exchangeable value or the purchasing power of gold has increased, or that the exchangeable value of other commodities has decreased.

Convincing Testimony. In other words, they do not deny that \$100 in gold would during the past few years purchase approximately as many commodities as \$125 would before silver demonetized. John Henry Norman, a monometalist, stated before the Royal Commission:

“I am convinced that the sole cause of the world-wide fall in the gold price of silver, amounting now to 25.57 per cent, and the rise in the silver price of gold, amounting now to 33.93 per cent, is closure of the mints of the countries forming the Latin Union and the United States against the unlimited reception of silver from the public. I am equally convinced that the chief cause of the fall in prices generally in Great Britain since 1873, is distinctly traceable to the fall in the gold price of silver.”

A large majority of the highest authorities, both monometalists and bi-metalists, maintain this. The opponents of this draw a distinction between the phrase “appreciation of gold,” and an “increase in the purchasing powers of gold.”

Hon. Geo. G. Goschen, since Chancellor of the Exchequer, in an address before the Institute of Bankers, said he wished to change the title of his address and head it “On the Probable Results of an Increase in the Purchasing Power of Gold,” rather than the use of the more technical term, “The Appreciation of Gold.” Perhaps, Mr. President, I should change the title of the topic I am requested to speak on, and head this address,

A Technical Term. “Has the Purchasing Power of Gold Increased or the Purchasing Power of Silver Decreased,” instead of using the technical phrase, “Has Gold Appreciated or Silver Depreciated.” But these terms will be generally understood as meaning practically the same thing.

Mulhall, in his “History of Prices,” shows that the prices of commodities have been lower for several years past than at any period since 1850. This is now conceded. But it is denied that an appreciation of gold or the demonetization of silver caused the fall. Prices rose, from 1850 to 1870, about 20 per cent, as shown by the economist, Jevons Tooke, and others. During this period there

was greater progress made in improved methods of transportation, machinery in all branches of industry, building of railroads, and new methods of manufacture, than during the period succeeding 1870. Why did not the same reasons given for the fall in prices since 1873 operate and cause a fall before 1870. It had been generally supposed that the principal cause of the rise in prices from 1850 to 1870 was the discovery and large production of gold in California and Australia. And that this new and immense influx of gold also caused a depreciation of gold, or decrease in its purchasing power. The silver monometalists

Silver Monometalist Days.

of that era so wrote and claimed, and it was not controverted. After this great increase of gold and the depreciation of its value as shown by the general rise in prices, many advocated its demonetization. A commission at Paris investigated and reported on the depreciation of gold in 1851. Michael Chevalier wrote a book, and a number of economists of his school urged the demonetization of gold on the ground that it was depreciating so much, and commodities appreciating so much, that the creditor classes and all those having fixed incomes, would unjustly suffer. They wanted the single silver standard then because gold had depreciated and prices had risen, as they said, on account of its depreciation. Holland demonetized gold in 1854, under the pressure of these silver monometalists and the influence of the money power and creditor classes. If the great increase in the supply of gold from 1849 to 1856 depreciated its value and decreased its purchasing power and caused the rise in prices which characterized that period, why has not the great falling off in the supply of and increase in demand for gold since 1873 appreciated its value, increased its purchasing power, and caused a fall in prices? I do not say the appreciation of gold is the sole or only cause of the great and continued fall in prices. But it is certainly one of the leading and principal causes.

If the bullion value of one hundred silver dollars will buy as many of the necessaries of life during the last few years as the bullion value of the gold or silver dollar would purchase at the time of demonetization, and before the depreciation of silver, it is not a dishonest dollar. If the bullion value of one

A Question of Bullion Value.

hundred silver dollars will buy as large a quantity of the staple articles of property, when a certain debt falls due, as when the debt was contracted, it is honest to pay the debtor with the same quantity of legal tender metal. The prominent writers on money economy and financial justice and honor agree to this. They also agree that if the value of legal-tender money greatly advances between the time of contracting the debt and the day of payment, a less quantity of money ought to satisfy and pay the debt. It has not been proposed to pay the debts contracted before the great rise in gold, in the eighty cents worth of silver bullion contained in the silver dollar, but to pay them in silver dollars, as well as gold, which are a legal tender for all debts at their nominal value, and which purchase in the market as large a quantity of property as the gold dollars. Nothing but the selfish audacity of a gold bug, could call the standard dollar dishonest. The dishonest part of our legislation consisted in demonetizing the silver dollar, and thereby greatly appreciating the purchasing power of gold, creating an abnormal scarcity and demand for it, and causing a general decline in prices and depreciation of the gold value of silver.

That gold has appreciated, and that silver has not depreciated in value when considered in their relation to other commodities has almost ceased to be controverted. It was disputed for several years. *An Admitted Appreciation.* The researches of so many economists, both as monometalists and bi-metalists, have resulted in such a complete collation and tabulation of the facts on this subject, it must now be assumed. That the value of either gold coin or bullion when used in exchange for commodities has increased generally over 25 per cent, and that the value of silver bullion when used in exchange for all commodities, except gold, has remained approximately the same since 1873, must be conceded. This, according to the accepted rules and tests applied by economists, establishes an appreciation of gold, and that silver has not depreciated. I submit that the actual facts and history of demonetization show that gold has appreciated in value. That its purchasing power has increased over 25 per cent. That (1) the falling off in the supply of gold; and (2) the greatly increasing demand, brought about by the demonetization

of silver, and the great increase in wealth, property and population, caused this appreciation. That silver has not depreciated in value with its relation to other commodities, except gold; but the gold price of silver has depreciated over 30 per cent, caused by the suspension of free coinage in the Latin Union, and the United States. That these things are the principal cause of the fall in prices and depression of trade and industry so universally complained of throughout the commercial world during the era of demonetization.

It is not within the limits of the question assigned me to discuss the remedies for these admitted evils. But I will say that the only sure, safe and permanent remedy is to place silver on an equality with gold before the law by free coinage. As I lately said on another occasion, in deference to the timidities of those who fear the immediate or sudden effects of free coinage, I am willing to approach it gradually like we advanced to specie payments. The time for free coinage might be fixed at two years from the first of January, 1891 or 1892. Require \$4,000,000 per month to be coined in the meantime. Require the

*The Legislation
Required.*

Secretary of the Treasury to issue directly and pay out silver certificates on the coined silver. There are other measures which might aid in reaching free coinage. Requiring the National Banks to keep a portion of their reserves in silver; issuing silver certificates to take the place of United States notes, replacing the retired national bank notes with silver certificates. I do not believe immediate free coinage would cause any radical or sudden changes in our financial or commercial status. I have attempted to show this fully and in detail on other occasions. I do not believe it would cause sufficient expansion to unduly inflate prices. When I say this, I do not speak as an inflationist or fiat money man. I am opposed to all credit financiering systems. I opposed the repeal of the resumption act in 1876 and 1878. In urging the return to specie payments at that time I said it would be hard to find a public man in a few years who would admit he had ever opposed resumption; and, Mr. President, a few years from now it will be difficult to find a public man who will admit he once opposed a return to the free coinage of silver. Silver would advance to the gold

price it maintained before its demonetization in 1873. We shall in this way return smoothly and prosperously to the true economic policy contemplated by the Constitution, and established by Hamilton and Jefferson, after having been taught a dear lesson by the accursed policy of demonetization.

HOW THE FARMERS ARE INTERESTED.

BY T. B. BUCHANAN, OF COLORADO.

The misfortunes which have attended the business and industrial world since silver was dethroned as a standard money metal, are many and grievous. The phenomenal decline of prices in all gold standard countries has arrested attention and excited inquiry in all civilized lands; and so far there is no assurance to be gathered from any source

Prices Going Lower and Lower. whatever that the bottom has been reached, or that there is any bottom to reach, so long as present monetary conditions are permitted to exist. Prices go lower and lower year by year, and the cry of complaint from the great circle of producers is fast becoming a wail of despair. To add to the trials of American producers of cotton and breadstuffs there are not only low and constantly shrinking prices for these staples, but an absolute falling off in the export demand. These staple United States products are being more and more neglected by foreign consumers, while their production has been greatly stimulated in other parts of the world, and especially so in India. I will not take up the time of this Convention with the tables and figures of statistical reports, but simply refer my hearers to reliable reports, easily obtained, and which sustain these statements.

Now, the fall of prices has been abundantly accounted for by the rise in the value of gold, consequent upon the disuse of silver as a standard measure of values. This cause for the low prices is now almost universally conceded, the only difference in opinion being as to the degree in which this cause has operated in producing the result. But explanations of the fact that the gold standard

nations of Europe, and particularly England, are neglecting United States wheat and cotton, notwithstanding the extremely low prices asked, and are buying the East Indian products instead, are not so easily arrived at, and some explanations offered are not very satisfactory. It is often asserted, and widely believed, that our silver bullion is being purchased by English brokers in produce at the low prices now, and for years past, prevailing, and then shipping it to the Indian mints, where free coinage of silver prevails, and there, by some magic possessed by the mint stamp, it is given a value largely in excess of that it had as bullion. It is asserted that a profit of 30 per cent or more is thus realized by the English produce brokers, and that this constitutes one at least of the important reasons why England is interested in keeping silver in its present position. Sometimes this statement includes the purchase of Indian wheat or cotton with the resulting coins, and the transportation and sale of these products in the English or European markets, before this profit is realized. Partly in vindication of the business sagacity of the men who produce and sell the silver bullion of the United States, and partly to emphasize the wisdom of a policy which I hope to see this Convention adopt and urge upon Congress, I will

*An Advantage
Given India.*

venture to point out the error of these assertions, and to offer an explanation of the facts much more in harmony with our every-day business experience and observation, as well as one more reconcilable with well-known economic laws. In the first place, there is not and cannot be a profit of 30 per cent made by simply carrying silver bullion to the Indian mints. If it were possible, then bi-metalism would become an absurdity, and no reputable economist in the world would or could defend it. Beside this, the American producers of silver bullion are not so stupid as to permit English brokers to make a steady and uniform profit of that amount, when the mints of India are open to all alike. New York brokers are not so blind as to permit so palatable a plum of trade to escape their notice for years together, and American capitalists are as shrewd as any of their class anywhere in the world.

The Indian rupee, the standard silver coin of that country, is, so far as its exchange value is concerned, nothing

but bullion. No additional value has been conferred upon it by the coinage, (except there be some small charge for that service at the Indian mints), and silver bullion in India occupies substantially the same plane of value that it does in the United States. Standard coins and bullion in India, and everywhere else, form one mass which, like the sea,

*Common Level
of Coins and
Bullion.* finds a common level all over the world. The sea has temporary waves and ripples upon its surface, and so has the sea of bullion values; but the difference between the value of bullion in different countries can never, except for very brief periods, and in some sudden emergency, exceed the cost of shipment of the bullion itself, which is always the maximum rate of exchange. Rupees have declined in India, relatively to gold, just as bullion has declined, and both have declined there, just as the gold price of silver has declined in the United States. All silver in India has maintained a steady relation of values to commodities there, precisely as it has here, and prices remain steady in India because they are quoted in silver, while prices here show a decline because quoted in gold. A printed East Indian price current or market report exhibits the ratio of exchange between the various commodities quoted, and a given weight of silver, while price currents in the United States exhibit the ratio of exchange between commodities and a given weight of gold, as they must be when transported to the English or continental markets. They will be found to have become lower and lower, just as ours have. This exhibits the significance attached to the word "standard" in the discussion of this subject. There is no profit made by the United States owner of gold bullion by carrying it to the English mint for free coinage into sovereigns, nor by the English owner of gold by carrying it to our mints for free coinage into dollars. The same is of necessity true as between silver owners and the mints which coin silver free. The inevitable effect of free coinage of any metal into money is to equalize the value of coins and of bullion; and, of necessity, any increased value which the coins may have accrues at once to the bullion wherever it may be, barring only the cost of transportation to the mint.

But why does England buy more wheat from India and less from us? This is the important question to the

farmer of our great Northwest. One answer is, simply because the Englishman buys one commodity to be paid for at a future time in another commodity, while the one in which payment is to be made is constantly declining in price. A simple illustration will make this so clear that it can not be misunderstood. Let us suppose an English trader in produce, with £2,000 sterling to his credit in bank. His capital is gold or its equivalent. Suppose, in the same hour, he cables two orders for wheat, one to New York and the other to India. The cost to him of the New York wheat is fixed the moment his order is accepted, no matter how long payment is deferred; while the cost of the Indian wheat is not fixed until he purchases the silver or a council bill with which to pay for it. If payment is deferred (and it always is, and sometimes for months), and silver is declining in the meantime, it will take less of his gold to pay for Indian wheat than for the American, though the estimate cost of each was the same at the moment of purchase. The Indian wheat is to be paid for in silver or its equivalent, the American in gold or its equivalent. There is no fixed relation of value between English and Indian money, while there is between English and United States money. This constitutes abundant reason why the Englishman should prefer to buy Indian wheat rather than American, if there were no others, and this reason will exist and be in full force so long as silver tends to lower and lower prices as compared with gold.

There may be, and probably are, other reasons why the Englishman prefers to buy his bread in Southern Asia. The cost of production of wheat in India has been reduced by the introduction of improved appliances, while, as he measures everything by the silver standard, the cost of labor has not relatively increased. The price—the silver price—which the Indian farmer gets for his wheat has remained substantially the same; while the price which the American farmer gets, being reckoned in gold, has grown less and less year by year, when the cost of his labor is the same. As all agree, labor is the last to rise, and the last to fall in any shifting of the money standard; but let not the laborer of this country flatter himself upon this fact; while wages are the last to

*Character of
the Indian
Trade.*

*The Question
of Labor.*

shrink, the last in the list will surely be reached under present conditions.

So far as the decline of our exports of wheat and cotton is due to these causes, the remedy is evident and within our power of applying it. If the farmers and planters of the United States would revive and increase these exports of these staples, then they must demand of Congress such action as will stop the fall of silver. If the Fifty-first Congress can be induced to fix an early date for the re-opening of the United States mints for the free coinage of silver dollars, and supplement that act by requiring the Secretary of the Treasury to purchase and coin \$4,000,000 worth of silver bullion per month under present laws, and until the free coinage act shall take effect, a new era of prosperity to American farmers and producers will rise to view. An upward turn in the price of silver for ninety days together will again bring orders from Europe for wheat and cotton. That will reverse the conditions so long prevailing. When silver is advancing the English consumer has the same inducement to buy American wheat which he has now to buy the Indian article. Then, every day or hour which intervenes between purchase and payment will increase the cost to him of the Indian wheat, while as before the cost to him of American wheat is fixed at the moment of purchase.

It must, however, be understood that when I speak of the "fall of silver" I use the phrase by which the variation in the values of silver and gold is commonly described, and which express the appearance of the matter to the general public. In truth, there has been no fall of silver. It is a rise in gold. The increased coinage of token dollars under present laws will have two important effects, and of the most beneficial character. It will increase the volume of money and relieve the stringency now or lately very marked in most of our great financial centers. The second, and what I would prefer to call the more important effect, would be to start the price of silver upward, toward a union with gold, to be finally consummated by the open mint. There is every reason to believe this advance in silver would be permanent.

The Benefits Permanent. Whatever silver we coin into tokens is effectually removed from the world's market until such time, at

least, as the parity between the metals is restored. This taking away from the world's supply the sum of \$2,000,000 worth per month, and removing it as effectually as though it were sunk in the sea, cannot fail to create and maintain a reaction in the silver market. Another very important effect of the advance in silver would follow upon our increased exports of wheat and cotton. This will tend directly to maintain a more favorable balance of trade, and thus increase the importations of gold on balances, instead of driving gold out of the country, as so often and so gloomily predicted. I should not expect any enhancement of the prices of commodities to follow the increase of coinage under present laws to \$4,000,000 per month.

The great question presented to the commercial world by the phenomenal decline of prices is not one of the volume of subsidiary money, but a question of standard—or volume of standard—money. Our legal tender silver dollar of a limited coinage is not a standard dollar in any sense of that word. It will pay a debt, but it does not determine the price at which you must sell commodities to get the money to pay with. Legal tender alone does not

Not a Measure of Value. make a standard of value. In 1878 this country had less than \$700,000,000 of money all told, as appears from the official treasury statements. Now we have, as estimated by the same authority, more than \$1,500,000,000 of par money, and prices are lower now than then. Population and property items have not increased in the proportion that the available current and par money supply has increased, and yet with more than twice the volume of money, prices are 25 per cent lower. This fact should warn the thoughtful that there is something more in the problem than the mere volume of money without regard to its kind or character. Can you pull down the value of gold throughout the world by simply multiplying subsidiary coin in this country alone? Can you drain New York harbor by simply dipping out of it an amount of water equal to what it measures in cubic contents? What we want is more standard money—free coined money—not only here, but throughout the world. Relieve the strain upon gold, diminish the demand upon it, and thus reduce its value, or you must cut up the mass into smaller pieces for dollars,

or, as a last resort, drive it out and use some other standard. By restoring silver to its old place, you double the volume of standard money in the world, and by that means relieve the strain. And this is bi-metalism. An open mint for the free coinage of both gold and silver into legal-tender money is a *sine qua non* to a bi-metallic condition. The people should no longer be deceived into the belief that we now have a bi-metallic money system in any respect whatever, or that we enjoy in any degree even the smallest of its benefits. There is no means known among men of this age, nor practiced by men of any other age, for making a genuine standard of value metal money except by the free coinage of a money metal.

So far as the subject of a ratio of coinage is concerned, we have asked the late bi-metallic nations of Europe to adopt our ratio of sixteen to one, and they have declined, and will probably persist in that refusal. Now, as uniformity of ratio is desirable, if not essential to the permanence of bi-metalism, we should cut the gordian knot by simply adopting their ratio. I know of no great obstacle to such a course. It will result in the necessity for recoinng, one or the other, of our metal coins, but the expense is a bagatelle compared to the benefits to be derived. Every good thing costs something. If we want to retain the identical "dollar of the daddies" in that ratio, then add a little less than one grain of gold to the dollar in our gold coins in recoinng them, and the task is accomplished.

This Convention will probably pardon a brief reference to one of the purely imaginary evils which it is often asserted will attend upon the opening of our mints to the free coinage of silver. It is sometimes very aptly termed "the danger of the dump." Pretended wisacres assure us, if we open the mints we will be flooded with the surplus silver of other countries. Of course we know very well that there is no surplus silver in the other countries, but to plead that is a good deal like appealing to the statute of limitations—guilty, but you can't punish us. Of all the vagaries and

hallucinations upon this subject, nursed by timid minds or invented by cunning people to deceive the ignorant, this is the most flimsy. Applying the same reasoning and facts, heretofore

Fixing the Ratio.

A Flimsy Claim.

mentioned, with regard to the Indian wheat and silver problem, permit me to say that when our mints are open to silver our silver dollars and our silver bullion must be at par with each other, weight for weight, of pure metal. Either the bullion must rise or the coin must fall, or they must meet half way or at some other point. This will be just as true of the silver bullion in England, Algiers, India and Kamschatska, if there is any silver there, as of the bullion of the United States. Our silver dollar will be at par in value with every 371½ grains of silver, no matter where in the world it may be found, for, as I have said the value of silver bullion is at a level all over the world, and standard coins are of bullion value. Why, then, should foreign owners of silver bring their silver to our mints, to get that value for it which they can obtain at home? Would not this be an aggravated case of carrying coals to Newcastle? If that were true, why do we not all become rich by carrying silver to the mints of India? Those mints are open to us. Why do we not make money carrying gold to the English or French or German mints? But they say the silver will come here to be exchanged for our gold, which they will carry off. Indeed, now, if gold and silver is at par in this country, when the mints are opened, the two metals will be at par elsewhere also, and where, again, I

*Other Fears
Disposed of.*

ask is the profit in that swapping process? If they are not at par in that day, then I think we will be just as likely to find it out and just as quickly as any man who speaks French or Hindustanee, and if they come on such a mission it will be only a fool's errand. But, they say again, that the owners of foreign token silver coins will bring them over to our mints. Now, all the token silver of Europe circulates just as ours does, at par with gold. Every English shilling costs its owner the value of a shilling in gold; every owner of a French franc paid for it in the value of a franc in gold; every owner of a German mark did the same. If gold coins and silver dollars are at par in this country, after opening our mints to the free coinage of silver, then these foreigners can get just what they paid for their coins at home, less the abrasion, and no more, and they will be out the traveling expenses or freight, insurance and interest on their money. If our silver dollar is not at par with gold, then these im-

porters of silver coins will sustain a loss of just the difference between silver and gold, with expenses added. So under every conceivable situation and contingency, the fear of a dump is sheer nonsense—a practical impossibility.

In conclusion, permit a word in reference to the character of this great issue. Partisans of the single gold standard, or at least some of them, persist in characterizing the agitation as one foisted upon the country and maintained by the silver miners, and in their special interest. This assertion betrays either profound ignorance or willful deceit. In no conceivable way can the silver mines reap an advantage by the restoration of bi-metalism, which does not accrue a hundred fold to the farmers and planters and merchants and the great mass of men. The object and effect of bi-metalism is not to serve a special interest, but to restore equity amongst all classes by means of a just money measure for all property, all labor and all debts.

THE NATIONAL BANK RESERVE.

BY HON. JOHN THOMPSON, OF NEW YORK.

The question which has been assigned to me for discussion before this Convention seems to me to divide itself into two parts.

First. Should not a portion of the national bank reserve or deposits be kept in silver.

Second. Should not the securities for circulation be kept in silver?

I shall discuss this last division of the question first, viz. : Shall securities for national bank circulation be kept in silver? After a full and careful consideration of this

*The Banker's
Position.*

proposition, I am of the opinion that it would be unwise at the present time to base our national circulation upon the security of silver; and the reasons which have led me to this conclusion are derived from the experience of the last twenty-five years with national bank circulation, based upon the security of United States Bonds. We are all aware that the rapid contraction of the national bank circulation has been due to the appreciation in the market value of the bonds deposited by the banks with the United States Treasurer as security. The rise in premium has been an inducement to the banks to retire their notes and withdraw their bonds, in order to realize the premium thereon; and the result has been the severe contraction of the currency from which the country is to-day suffering. If, under the present condition of the silver market, and the present price of silver, Congress should authorize and issue national bank notes based upon silver bullion, deposited with the Treasurer of the United States, in the event of a rise in

the price of silver, the silver securities deposited by the banks would experience the same appreciation in value as has been experienced by the bonded debt of the United States, and the banks would be just as eager to withdraw the silver and realize the profits upon it as they were and are to withdraw the United States Bonds, and realize the premium. At the present price of silver, if the deposit of silver bullion as security with the Treasurer and the issue of national bank notes thereon were permitted by law, the increase in the volume of bank note circulation would be very great. But within a short time the rise in value, and consequent withdrawal, of the silver securities would, I believe, cause a contraction of the currency unprecedented in the history of the country. Therefore, because I believe that a bank currency, to be lasting and stable, should be based on securities not liable to be used for speculative purposes, I am opposed to the use of silver as a basis for such circulation *pending its full rehabilitation as money*. When, through our efforts, silver shall be rehabilitated and placed on a parity with gold as a standard of value in all the markets of the world, when it becomes a matter of indifference to business whether their obligations are paid in silver or gold, then it will be time to issue national bank circulation based upon the security of silver.

*A Second Era
of Contraction.*

To the first part of the question assigned to me, viz: "Whether a portion of the national bank reserve on deposit should not be kept in silver," I think it necessary to briefly review the law as it now stands, and see whether in the law itself, or in the manner of executing it, there is at present any discrimination against the use of silver as a reserve upon the deposits of national banks. Section 5191, of the United States Revised Statutes, provides that the reserve of national banks shall be held in "lawful money of the United States."

*Lawful Money
Defined.*

Various statutes of the United States provide that lawful money consists of gold coin of the United States, standard silver dollars and legal-tender notes. By section 5192, of the Revised Statutes, clearing house certificates are also available for reserve, and by section 12, of the Act of July 12, 1882, both gold and silver certificates are equally to be considered lawful money for reserves.

Therefore, under the present law, standard silver dollars and their representative silver certificates, are as fully available for national bank reserves as are gold and gold certificates. In other words, any national bank may to-day, if it sees fit, keep the whole of its reserves on deposit either in standard silver dollars or in silver certificates. Further than this, section 12, of the Act of July 12, 1882, provides that no National Banking Association shall be a member of any clearing house in which silver certificates shall not be receivable in the settlement of clearing house balances. It would seem, therefore, that, as far as the standard silver dollar is concerned, the present laws make no discrimination against its use by the national banks as a reserve upon their deposits. There is, however, a real discrimination made against silver, lying deeper, and this consists in the discrimination made at the United States

Two Real Discriminations. Mints, in receiving gold bullion for free coinage, and not receiving silver bullion in the same manner. National banks having gold bullion may increase their reserves, taking the gold bullion to the mint, and after the usual assay has been made, receive in exchange full value in gold coin, which at once becomes available for reserve. But national banks cannot, nor can individuals, purchase silver bullion, take it to the mint and receive its full value in standard dollars. But another still more dangerous discrimination made against silver is to be found in the actual methods of business pursued by the national banks which are members of clearing houses. Notwithstanding the law which prevents a national bank from belonging to a Clearing House Association at which "silver certificates are not received in payment of balances," by tacit consent, or unwritten social law—as it might be called—the banks at the clearing houses as a matter of fact seldom or never offer silver certificates in payment of balances. In New York City, where the Assistant Treasurer of the United States is a member of the Clearing House Association, the transactions between the banks and the Government are immense, and the balances due from the banks to the Assistant Treasurer, and from that officer to the clearing house banks, often aggregate several millions of dollars each week. These balances are never paid in silver

certificates, but both parties, by the tacit consent I have referred to, invariably make their payments in gold. If a law were passed by Congress, compelling the Assistant Treasurer at New York City to pay balances due the clearing house banks half in gold or gold certificates or legal-tender notes, and half in silver certificates, and to receive payment for balances due the Government in the same proportion, this method of discrimination against silver would be entirely obviated.

I therefore propose, in order to make such a law as far-reaching and effective as possible, that it should be drawn in the following form, and that this Convention, after making such amendments as in its wisdom may be deemed best, shall take

A Measure of Relief Proposed. measures to have it introduced and passed by Congress: A bill entitled,

An act permitting Assistant Treasurers of the United States to become members of Clearing House Associations; and for other purposes,

Be it enacted, That an Assistant Treasurer of the United States may become a member of the Clearing House Association formed by the banks located in the city in which he exercises his office.

2. That in settling balances with the various banks each Assistant Treasurer of the United States shall pay and receive balances to and from the banks, one-half in gold coin or gold certificates or legal-tender notes, and one-half in silver dollars or silver certificates.

A bill similar in form to the foregoing would, I think, cure the discrimination against silver, which is practiced at the clearing houses in the country.

But there is another discrimination made in favor of gold that is still more to be feared than any I have mentioned, because it is made under the pretended authority of law. I

A Third Discrimination. refer to the alleged reserve of \$100,000,000 in gold held by the Government of the United States in its Treasury, to redeem legal-tender

notes. It is asserted by those who are opposed to the full remonetization of silver that this sum of \$100,000,000 of gold had been sacredly set aside by law, and can not be reduced or used for any other purpose than the one named. This claim is, however, of comparatively recent origin. It was first made in 1885 by Mr. Conrad N. Jordan, then newly appointed Treasurer of the United States, through the medium of a change in the form of the debt statement

issued by the Secretary of the Treasury. It was during his administration that the item, "reserve for the redemption of United States Notes, (Acts of 1875 and 1882), \$100,000,000," first appeared in the monthly statement. The reserve kept for the payment of legal-tender notes was in former debt statements merged in a general fund made up of both gold and silver. Now, on what laws did Mr. Jordan base his authority to set aside \$100,000,000 in gold coin as a reserve on legal-tender notes? As appears from the debt statement itself, he gathers his authority from the Acts of January 14, 1875, and July 12, 1882. All there is in the Act of 1875 which can by any possibility be tortured into a support of the item in the debt statement, is the authority given the Secretary of the Treasury to prepare and provide for the resumption of specie payments; and for this purpose he is authorized to use the surplus of the Treasury Department, and to issue, sell and dispose of, at not less than par value in coin, (it does not read gold coin,) certain bonds of the United States. From the fact that the Secretary of the Treasury carried the act into effect and disposed of certain bonds of the United States for gold coin, which, owing to the demonetization of the silver dollar, by the Act of 1873, was then the only coin procurable in the United States, by a great stretch of imagination it is argued that the particular coin received from these bonds was necessarily set aside for the redemption of the United States Notes. To show the shallowness of this claim, I point the Act of February 28, 1878, by which the silver dollar of the United States was again put into circulation, and which authorized these silver dollars to be a legal tender, "at their nominal value, for all debts and dues, public and private, *except where otherwise expressly stipulated in the contract.*" I defy anyone to discover in any of the laws of the United States any words from which it may even be inferred that there has ever been any contract to redeem the legal-tender notes in anything except the current coin of the United States, whether gold or silver.

A Stretch of Imagination.

The second act that it is claimed authorizes this important change in the debt statement, upon which so much of the strength of the discrimination against silver dollars is now based, is that of July 12, 1882, and the words of the men

selected to sustain the fabric of the arguments of our opponents are contained in a proviso of section 12. I will quote them entire, that we may have a clear understanding of the force of the arguments based upon them. The proviso is:

That the Secretary of the Treasury shall suspend the issue of such gold coin certificates whenever the amount of gold coin and gold bullion reserved for the redemption of the United States notes falls below \$100,000,000.

If this be construed to mean that any previous law of Congress had enacted that a reserve in gold coin or gold bullion should be kept in the Treasury for the payment of the legal-tender notes, it was certainly an error on the part of the legislators, for no such previous act can be found on the statute book. The *real* intention of this proviso was to put a stop to the withdrawal of the gold coin in the Treasury by the presentation of legal tender notes for redemption, for the purpose of redepositing the coin and securing therefore gold certificates. Its purpose, then, was to prevent the substitution of a new obligation by which the United States bound itself to pay gold for the legal-tender note, which by previous acts were payable either gold or silver coin. There could not be a grosser error than to claim that an act passed to prevent the substitution of gold certificates for legal-tender notes was intended to virtually turn the legal-tender notes into gold certificates, by making them payable in gold coin only. It amounts to an intentional misunderstanding. But if the plain purpose of this proviso in Section 12, be ignored, and the argument be confined to the very letter of the law, as those opposed to the redemption of the legal-tender notes in silver confine it, then I contend that the most that can be said is that the expression "gold coin and gold bullion, reserved for the redemption of United States notes," taken in connection with the absence of all mention of any such gold reserve in previous acts, is very ambiguous.

There is greater uncertainty in regard to the true construction of this expression than there ever was in regard to the construction of the law of March 3, 1881, in reference to the purchase of bonds by the Treasury Department. Before President Cleveland, or Secretary Fairchild would undertake the pur-

*The Law of
1882.*

*A Reserve of
Gold and Silver.*

chase of bonds under the last mentioned act, they called upon Congress to define its meaning ; and I assert that before acting upon the ambiguous words of Section 12, of the Act of July 12, 1882, and maintaining a gold reserve upon legal-tender notes, the President and Secretary should have called upon Congress to give proper construction to the law. But be this as it may, and admitting, for the sake of argument, that the Act of July 12, 1882, does set apart a reserve in gold for the redemption of the legal-tender notes, this, I contend, causes the most serious and telling discrimination against silver, and the doubtful words should be amended or repealed. I, therefore, suggest for the consideration of this Convention, whether it should not use its utmost efforts to urge upon Congress the passage of an act requiring that at least one-half of this reserve of \$100,000,000 be kept in silver dollars, or better, in silver bullion, thus avoiding the necessity and expense of the coinage.

THE NEEDED FINANCIAL REFORM.

BY JOHN WILLETT, OF TEXAS.

We have met here from the Pacific coast, the borders of the great lakes, the Atlantic seaboard, from the shore line of the gulf stream, and from the banks of this mighty river and its great tributaries, to discuss and consult together on questions that involve good government and justice to all sections. I assume we are not here to enhance the value of a commodity, or in a partisan spirit, but rather to reason together and suggest to the men who represent us in Congress measures that will add to the public prosperity, and not in the interest of class or private corporations, to maintain the law, order, peace and security of person, state and nation, and preserve our territorial integrity—and so act that the friction of interests will not mar our efforts. We are here to discuss the financial policy of the Federal Government and its relations to one of our greatest natural products—silver—and demand of the United States Government its use of the entire product as a basis for paper money circulation that will pass in all corners of the great Republic, and be a medium of exchange to the people who live north and south of us, thereby extending our commerce. The credit of our Government stands to-day unrivaled in the history of nations. The question statesmen and political economists are asking is: "What will they do with it?" (our surplus money). They find our public treasury gorged with money—silver, gold and paper—drawn from the commercial and industrial people of the country, largely in the excess of current needs, to cover the actual expenses and the large pension list. One hundred millions of gold is

idle in the public vaults, it is said, to redeem greenbacks. Just where the man lives that wants to exchange them for gold is not to be found outside of the money changers, who virtually own and control this Government. The question involved is this, will the men who are disemboweling the earth on the Pacific coast and the Rocky Mountains, will they submit to be robbed of their just earnings by the legislative manipulations of the class which holds and owns the public securities? This is the issue, and must

The Miner and Farmer Victims Alike. be squarely met. Affecting not only the mining interests but the mortgaged farmers of the West, and gradually lowering the price of labor, all are victims of the so-called money trusts, which are few in number, and occupy a very small corner of the Republic.

Money is a creation of governments, and is that which facilitates the exchange of property, commodities, and things between civilized men as a measure of values, made into coins or tokens of metal, which date back to the ancient Egyptians, Greeks and Romans, older than Christianity. Its use has been continued to the present time. Advancing civilization and an extension of commerce has brought into use a paper representation based upon the precious metals, silver and gold, and government credits, as with the Bank of England, Bank of France, and in the United States as seen in greenback and national bank notes, which are daily taking the place of metal money, being more convenient than twenty-dollar gold pieces or the silver dollar. The time is rapidly approaching when coinage above fifty-cent pieces will not be coined of either metal. The paper coinage dollar will take its place. The coinage bill—introduced in the last session of Congress by Senator Stewart, of Nevada,—is a practical measure, which can not be retarded much longer. When Congress meets in the next session, it will receive that consideration which its merits demand.

The Government of the United States, becoming the purchaser of all of the silver produced or offered on this hemisphere, on a ratio of sixteen ounces of silver for one of gold, and paying for the same in a simple certificate in denominations of \$1 up to \$100, will secure a practical monopoly of this

A New Market for Silver.

metal, and change at once the market place of silver from London to New York, and force bankers of the East Indies to draw their metal supply from our Government, to fill the demand to be coined in rupees, with which the Indian serf is paid seven cents per day for his labor, and is now sharply competing with the cotton grower of the South and the wheat producer of the Pacific slope and northwest, in the European markets. If this measure should become a law, American silver would go up to its real value, which is to-day about 30 per cent low, on a relative ratio of sixteen ounces of silver for one ounce of gold. This depression is on silver taken from American mines by American labor, its value regulated in the London market by the Bank of England and the Indian Governments, in conjunction with the fiscal agents in the Treasury Department of the United States Government. Why our Government should be a party in a combine to depress its value, demands investigation. Of the annual output of the silver mines of the world, nearly one-half of the supply is mined in our country.

Should the United States Government use the great credit which is hers, she can become the custodian of the output of silver in Mexico and South and Central America, stimulating commercial intercourse and increasing the purchasing power of these people 30 per cent, which would swell the demand for American fabrics and relieve the country from overproduction. This, in connection with liberal commercial treaties with all countries on the hemisphere, would extend American trade and relieve the country from possible financial disaster, as the holding of ingot silver stored in the Treasury vaults would naturally make the United States Government the strongest moneyed institution in the world, backed up by 60,000,000 of energetic, enterprising and willing tax-payers. Financial reform is loudly demanded by the farmers and commercial people of the transmississippi country, who are to-day at the mercy of Wall Street and the wise men of the East. Federal legislation has been for the last twenty-five years run in the interest of this class. At the expense of all the industrial interests of our country, the loyal money changer has been duly cared for. An absolute war on silver has been waged

*Extending
American
Trade Influence*

with all the ingenuity which avarice and greed possess, narrowing the base of paper circulation to simply gold and Government Bonds, thus giving two representatives for one value, made scarce or plenty as the fortunate owners may elect, forcing the Government to take up its obligations at 30 per cent above par, in order to prevent financial disaster and panic. It may be well to inquire now what will happen when the Government has bought up all the bonds at the present ruinous rate of 30 per cent premium. Legislation affecting the currency supply is demanded by the representative men who are here present. We are here to urge upon the Federal Government to recognize their interests and wants.

COMETALISM.

BY HERMAN VEEDER, OF PITTSBURGH, PA.

MR. CHAIRMAN AND GENTLEMEN OF THE CONVENTION—
Although this is called a “Silver” Convention, and while I am in full accord with its silver spirit, I propose to say a good word for gold as well. A perfect harmony should be established in the relations of gold and silver with each other, and I wish to offer a method for accomplishing that purpose. The system is known as “Cometalism,” and is an effort to secure a harmonious, and therefore a real and genuine bi-metalism. The cometallic dollar is composed one-half of gold, and one-half of silver, and it is not an alloy, but is made up of a disk of silver of the value of fifty cents, encircling another disk of gold of the value of fifty cents, the two constituting a composite unit of the value of one dollar. This composite dollar represents a fundamental principle, namely, that the two metals should be combined, in the uses for currency, in equal values. For purposes of money, they should never be separated. We should think of a coined dollar as a unit composed, not of gold or silver, but of gold and silver. We never have more than one standard at any one time, which may be either gold or silver. We may imagine that bi-metalism prevails, but there can be no true bi-metalism, where only one precious metal is a genuine standard. I submit to the inevitable, and believe that we should have one standard only, but that standard should be a composite one, and should be made up of two metals, instead of only one. The cometallic dollar, although composed of two metals, is

The Cometallic Dollar.

a unit always containing 100 cents. As a whole, it would be an unvarying standard for the commercial values, as bullion, of its component parts, because the parts would always be worth, taking together, just 100 cents. Such a relation between the gold and silver in money would be somewhat analagous to the relation of the two metals in the compensating pendulum of a clock, which is made up of two metals, and in which, as the one expands upwardly the other expands downwardly, and the length of the pendulum remains unchanged, and maintains precision of time. The relative values of the two metals, separately considered, may change indefinitely, but their combined value must always remain the same.

The new dollar itself need not be produced to any great extent, no greater than may be convenient for change and

The Unit of Value.

minor uses generally. It will represent the unit of value, and will embody and illustrate the principles intended to underlie the entire currency. It is the visible sign of the essential principle that all paper money shall be redeemable one-half in standard gold, and one-half in standard silver. If all contracts are based on this principle, we have as much certainty as human wisdom can provide, that when an obligation is payable one or twenty years ahead, the funds to be paid at maturity will have the same values as those possessed at the date of the contract. The debtor could not force the creditor to take all of his claim in the one metal, nor could the creditor demand payment solely in the other metal; both would be perfectly protected from a great wrong that would otherwise be imminent. Whoever holds gold and silver in differing amounts is a speculator in the rise or fall on such difference, and, to get out of the region of speculation, we should bring about approximate equalization in bullion values, of the amounts held. If the Government holds equal stores of gold and silver, it will neither make nor lose by changes in their respective values as bullion. This should be the case, for speculation on their rise and fall is not within the legitimate province of any nation.

We have come to the closing hours of our National Silver Convention. The great burden of its song has been, "How shall we best restore silver to its rights in the

nation's currency, as compared with gold?" Amid all the variation of opinions, the chief answer has been "remonetize silver and restore it to free and unlimited coinage." In order to solve the great problem, and to secure permanent harmony between the two metals, on cometallic principles, the following measures should be adopted.

1. Free coinage of gold.
2. Free coinage of silver to the same amount as of gold, and no more.
3. The authorization and coinage of a new dollar coin, in which are mechanically combined one-half of standard gold and one-half of standard silver, which coin shall be the normal or standard of value for all other forms of the lawful money of the United States.
4. The establishment and maintenance of equal amounts of gold and silver in the net reserves.
5. The issue of coin certificates to represent gold and silver held by the Government, such certificates to be subject only to cometallic redemption.

As a transition measure, only a few words of legislation would be needed, and I propose the following amendment to the Act of February 28, 1878:

Be it enacted, etc., That all debts and dues, public and private, except where otherwise expressly stipulated, and except debts contracted before this act shall take effect, shall be payable, one-half in gold coin and one-half in silver coin, lawful money of the United States.

Our present ratio of standard values in coinage is sixteen of silver to one of gold, as to weight. I am not prepared to claim that this ratio shall remain inviolable. The gold monometalists are constantly clamoring against the short weight silver dollar, while our silver-producing friends want to increase the use of silver. Perhaps it would be well to approximately meet the demands of both. The adoption of cometalism on such a basis would furnish to silver men an opportunity to secure a permanent increase in the ratio of silver that may never occur in any other way. Whatever ratio is finally adopted, whenever the cometallic dollar is established, such ratio should remain fixed. It is the duty of the Government to provide a satisfactory currency.

*Interests of
Gold and Silver.*

In order that it may be satisfactory it must first work equal justice to all interests; next, it must be safe; and lastly, it must be convenient. No currency can be good that does not combine these qualities. The equal combined use of both precious metals will distribute impartial justice to the producers and owners of both; the supply of both metals will double the basis of redemption, and thus enhance safety; the two metals will make up for each other's deficiencies. The advocate of gold and the advocate of silver should not, either of them, ask for too much; let them be just to each other, and both may safely abide the results. When cometalism shall have prevailed for a time, these powerful contestants may find that, even from a selfish point of view, their interests can be best promoted by mutual concession. All minor considerations should give way to the great interests of the people; for thus only can private as well as public welfare be best conserved.

WHAT IS THE BASIS OF VALUE?

BY JON. A. GRIER, OF PENNSYLVANIA.

In the call for this Convention we are requested to discuss certain questions. One of them is: "What shall be done to restore silver to its ancient use as money?" Let me assure you that we have a task on our hands, when we inform our fellow citizens that we have about \$347,000,000 in silver coined under the law of 1878, nearly all of which is in circulation, either in coin or silver certificates, and at the same time assure them that the use of silver as money has not been restored in our country. The average man cannot understand it. From the organization of our mint in 1792, up to the date of the demonetization of silver in 1873, we coined about \$92,000,000 in full legal-tender silver money. Thus we have coined almost four times as much silver into full legal-tender money during the last eleven years as we had coined during the first eighty-six years after the establishment of the United States mint. Suppose we alter the inquiry as to the special object that has brought this Convention together, and put it in this way: "What shall we do to restore silver to its full use as a money measuring metal?" That the great mass of silver now produced by the world is being rapidly turned into money no one will dispute. There is no large mass of uncoined silver in existence outside of the mines. Nearly all the dollars coined by the United States have been paid out to the people in the national disbursements; more than 9,000 gross tons of standard silver has certainly been used as money, and as a money metal that measured values. When the Government buys enough silver bullion to coin a silver dollar with

*The Inquiry
Changed.*

74-100 of a coined silver dollar, I hold that as far as these dollars are concerned the Government has not only used silver as full legal tender money, but has measured the expense of these disbursements by the cost of these dollars to the Government. We are informed that the Government has on this particular operation gained about \$56,000,000 profit, and we have no reason to doubt it. The silver producers, as a class, claim that on this particular operation they have been robbed of a larger sum than this. Without conceding the entire justice of this claim, we admit that the silver producers have been most unwisely and most unjustly treated by the government. The executive officers of the Government, in coining only one-half the amount the law permitted, and then treating this coin as a dishonest and unjust medium to liquidate any coin obligation of the government, have discredited silver in the eyes of the nation and of the world. Even their methods of purchase have been very unfriendly to the silver producers. But great as this injustice to the silver producers has been it has been moderate in extent when compared to the injustice done to the farmers and the producers of all kinds of products excepting gold. When we remember the trifling value of all the silver produced in the United States when compared with the other products of labor, this comparison becomes obvious. By an examination of the United States statistics it can be demonstrated that the farmers of America have been losing more than \$1,000,000 a day during the past few years on the shrinkage in the prices of their cereal products alone, compared with gold prices in 1873. This we think is caused, in a great measure, by the executive hostility to the free use of silver as a money measuring metal. The silver producers to a man realize their loss, but the farmers, the manufacturers and the working men all through our country have, as a general thing, not realized that the discarding of silver has been as fatal to their prosperity and welfare as it has been to the silver producers. Many of them join in the plausible but most fallacious accusation that the coinage of silver is demanded for the welfare of the silver producers only.

Hon. David A. Wells, one of the most forcible and able advocates of the so-called English system of tariff, says:

“No one has been able to trace with any degree of clearness, any connection between the two facts—between the fact of the fall of the price of wheat and the fall in the price of silver.”

Sir Lyon Playfair, an eminent philosopher and a distinguished member of the British Parliament, substantially declares the same thing—that the disuse of silver as a money measuring metal is not one of the causes of the world-wide depression in prices.

Notwithstanding the opinions of eminent men like these, if we are unable to demonstrate the fact that one potent, mischievous cause for this world-wide depression in prices

The Cause Established. is this disuse of silver as a money measuring metal, our case is lost. What is the basis of value? What is the limit on which prices are determined in the United States? Is it not the gold dollar? Is not gold the only metal an individual can take to the mints and have coined free and gratuitously into full legal-tender money, so as to measure his debts by the cost of the uncoined metal and pay them with the coined gold? Is not this true of the modern coinage laws of the leading nations of the world since 1873? This being the case, has not this extraordinary legal demand for gold for coinage naturally increased its value or price as a commodity? The Government can under the present laws measure their debts, which can be paid in silver coin, by the price of silver bullion. Under the adverse advice of the gold monometalists they have uniformly refused to accept this great privilege only half way. I am under the conviction that by this discarding of silver, the injury and injustice done to the producing classes of our country during the past eleven years, by unfairly reducing prices, has exceeded by far the entire expenditures of the Government. However, to this day this mischievous economic blunder is indorsed by millions of otherwise intelligent voters.

Go into the markets of the world, price and buy this commodity, gold, with the average products of human labor, will we not find the prices of these products decreased about one-third, and will we not find that it requires half as much again of our products to buy a given quantity of gold now as it did immediately before 1873? If we express these same truths in percentage we will say,

while prices have fallen about $33\frac{1}{3}$ per cent, the purchasing power of gold has increased 50 per cent.

The Fall in Prices, Advance in Gold. The farmer's products, as well as those of the silver producer, are measured by this enormously increased agent of valuation—gold. Now, what do we bi-metalists want? It is not our object to reduce the price of this commodity, gold, by decreasing its demand and utility and increasing the demand and utility of silver? When we are able to do this, will we not justly increase the price of wheat, cotton, silver and other products, and diminish the burden of debts? For these reasons I have advocated the increased coinage of silver for the past eleven years, and have used my best efforts in demanding that the mints should be worked to their fullest capacity in silver dollar coinage.

As this great currency question belongs to the world, not to us alone as a nation, such a fair, just treatment of the silver of the United States would have been marvelous for our own prosperity, and in all probability our example would have been followed by other nations. Remember the example of France for the first three-fourths of the century. The world for more than twenty centuries wisely used gold and silver concurrently as the common measures or agents of valuation. Contrary to the scientific teachings of the philosophic Newton and Locke—of our own matchless Hamilton and Jefferson—

A Conspiracy of Ignorance. in these late years, on this currency problem, there has been an astonishing conspiracy of ignorance. We are frankly told, in spite of past experience, that we cannot have two metals as standards of value concurrently circulated as money. They might as well tell a skillful clock or watchmaker that he could not use two metals to an advantage concurrently in the construction of a pendulum rod or balance wheel. They might as well tell us we could not use to advantage concurrently wheat and corn as food, wool and cotton as clothing, coal and wood as fuel. Notwithstanding the strong backing of monometalism, when it is reduced to a common-sense basis it is the quintessence of nonsense. It is false as a scientific principle, false as an economic measure. This conspiracy of ignorance has, however, been sanctioned by the deliberate action of the English Parliament in 1816, by the Ger-

man Reichstag in 1871-73, by the American Congress in 1873-74, and, I am sorry to say, largely by the American press since 1878.

We have met here in convention to repudiate this new dogma in the strongest possible terms. We have met here to say that the use of gold and silver concurrently is a steadier and more equitable measure of value, or agent of valuation, than either metal alone. As I understand it, we are here as bi-metalists. We want neither gold monometalism nor silver monometalism. We want the price of our products, the burden of our debts, measured by the concurrent use of both metals circulating at par. Such has been the untold mischief and misery brought about by gold monometalism since 1873, that no lover of mankind, no patriot could be engaged in a more worthy cause than ours. I deem it the commanding economic and political question of the day. As there has been a conspiracy of ignorance, why should we not join hands in this Convention in a solemn compact for educating the people? Our enemies fight us with a solid front, while we, for the past eleven years, have moved in shattered divisions. Can we not unite on a common basis, so as to make our efforts count? As for myself, I would have neither free nor gratuitous coinage of either gold or silver. However, I would like to see each metal treated on an equality. I would like to see the government take the entire control of all coining operations, and buy all of the materials used in manufacturing these "tools of trade," called full legal-tender money. The commonest kind of common sense should teach us that gold at present prices is too dear a commodity to purchase for coining the subsidiary minor coins. If this plan, wisely named, of American bi-metalism, was adopted by other nations, as well as our own, the bullion value of silver and gold would very soon be approximately at par throughout the world. There is room in our growing nation for an increase of \$100,000,000 in silver per annum without the least chance, under the purchase system, of our losing our gold circulation from this cause, either by driving it to a premium or out of the country. However, matters like these will require new legislative deliberation. What I came here for is to unite with you in demanding in

*A Compact for
Education.*

the strongest possible language the purchase and coinage of \$4,000,000 worth of silver per month, and demanding of our executive officers that this coin should be used fearlessly in settling any coin obligations, as the law permits. This amount of silver will about exhaust the capacity of our mints and consume our domestic supply. Gaining these points, let us watch and wait for the effect of the logic of events here and abroad. Our lawmakers should always have a well informed constituency in their rear, and, as a Pennsylvanian, let me assure you our people in the East have been carefully educated by the most influential part of our public press that the bi-metallic flag, under which we fight, is a fraud, scientifically and economically. I am as proud of fighting under that flag, however, in defense of my country's honor and welfare against a gross wrong to the mass of my fellow citizens, as I would be to fight under the Stars and Stripes against a common enemy.

THE COINAGE LAWS AND RATIO OF PRODUCTION.

BY HON. ISAAC B. MORRIS, OF INDIANA.

MR. PRESIDENT AND GENTLEMEN OF THE NATIONAL SILVER CONVENTION—We are living in the greatest gold and silver epoch of modern times; the last half of this century will be distinguished in history as the gold and silver era; and the United States, the greatest nation of the century, occupies the proud position of being the greatest gold and silver producing country in the world. This race of American freemen, the grandest race of men on earth, has taken the lead of all races and nations in the production of the precious metals. The coinage question has, therefore, assumed an importance with the American people that it never assumed before. Such is the interest awakened among the people on this question, and such is its magnitude that this National Convention has been called, and we have been commissioned by the Governors of the great States and Territories to consider the question with a view of aiding Congress to establish a correct American coinage system. The difficulty in arriving at a correct solution of the coinage question arises from the wonderful increase in the world's production of both gold and silver, and the unequal and varying productions of each during the past forty years. We discover from the statistics that the world's production of silver exceeded that of gold every year from 1700 to 1840; that during that time its average yield was about double that of gold; and for ten years—from 1811 to 1820—it was more than three times as much

as gold; and we discover that from 1851 the world's production of gold exceeded that of silver every year to 1881; that the world's production of gold increased \$100,000,000 in 1851; that it reached its highest point, \$136,940,800, in 1860, which was about four times as much as the world's product of silver at that time; that the annual yield of gold has steadily declined since 1860, while the annual yield of silver has steadily increased from \$36,826,900, in 1851, to \$130,383,000, in 1886. We discover that since 1881 silver has again taken the lead of gold in the world's production, and now holds it by about \$33,000,000. Thus we see gold

*Assuming the
Old Ratio.*

and silver gradually assuming their former ratio of production, which in time will be reached and maintained. We also discover that the world's total production of gold and silver has increased from \$38,272,600, in 1840, to \$230,232,000, in 1885. This wonderful increase of the precious metals has disturbed their former values and makes a correct solution of the coinage question the most difficult problem that Congress has to deal with.

Of the world's output of gold and silver in 1845, we produced but \$1,008,327; of that of the year 1887, we produced \$86,357,000. The total yield of our mines from 1845 to 1887, inclusive, amounted to \$2,566,314,771, of this \$1,751,484,301 was gold, and \$802,835,560 was silver. The yield of our gold mines has gradually decreased from \$65,000,000 in 1853, to \$33,000,000 in 1887, while the yield of our silver mines has gradually increased from \$100,000 in 1859, when our great silver deposits were discovered, to \$53,357,000 in 1887. Of the total production of gold in the world, in 1886, which amounted to \$97,761,000, our mines yielded \$35,000,000, which is about one-third of the total. Of the total production of silver in the same year, which was \$130,383,000, our mines yielded \$51,000,000, which was five-thirteenths of the total. These facts show the rapid development of our gold and silver mines, the great contributions they have made to the world's stock of gold and silver, and the relation we bear to the world as a gold and silver producing country, and they must be taken into consideration in adjusting our coinage system.

Another important fact to be considered is the amount

of gold and silver on hand. Our exports show that almost the total yield of our mines went abroad from 1850 to 1876. The greatest amount exported in any one year was during the year of 1864, when we exported of our domestic coin and bullion, \$100,473,-562. There were two causes for these heavy exports. The principal cause was that during all that period the balance of trade was against us, and it required this amount of specie to square up this balance of trade with England and Europe. The second cause was the suspension of specie payments in this country from 1861 to 1879. It is a well-known fact that specie will leave any country where it is not used as money and go to the countries that use it. Since 1876, the balance of trade has been in our favor to the amount of more than \$1,700,000,-000, and coin has been flowing into this country during all this period to settle this balance of trade. The total increase between January 1st, 1879, and November 1st, 1888, was \$727,757,180.

From the Treasury Department showing it appears that this country is in a splendid financial condition, and that it is improving every year. We have drifted from a depreciated paper money to a coin currency, with a gold or silver dollar behind every paper dollar afloat. Now, to improve the intrinsic value of our silver coins without driving our gold out of this country, or out of circulation, is the delicate task we have before us. What light does history shed across our pathway, in considering this question, and what dangers does it disclose? Our Government, by the Act of April 2d, 1792, adopted the double

*The Double
Standard of
1792.*

standard of gold and silver as the coin currency of this country. By this Act, Congress fixed the relative value of gold and silver at 15 to 1, "that is to say, every fifteen pounds of pure silver shall be of equal value in all payments of one pound weight of pure gold." During the whole period from 1792 to 1834, the ratio was above 15, and as the result of this undervaluation of gold in our coinage system, our gold coins were exported to Europe, where a higher value had been fixed on gold, that of 15½ to 1, by all of the Governments that belong to the Latin Union. Our gold coins, in many instances, went direct from our mints to

ships for exportation, instead of going into circulation. In order to stop this exportation of our gold coins, Congress in 1834 changed our ratio from 15 to 1 to 16 to 1, which was well known as the Spanish ratio, and which had been adhered to in the Spanish dominions of Central and South America for more than 300 years. This change of ratio was made by reducing the weight of our gold coins from 24.7 grains to 23.2 grains. Our Government, by this change of ratio, fixed a higher value on gold

*The Acts of
1834-37-49.*

than the Governments of Europe had fixed, and consequently all of our own gold coins remained at home, and foreign coins drifted into this country to such extent that by 1838 we had \$100,000,000 of gold in circulation. By the Act of January 18th, 1837, Congress changed our standard of fineness. The Act declared that "the standard for both gold and silver coins of the United States shall hereafter be such that of one thousand parts by weight, nine hundred shall be of pure metal, and one hundred of alloy." And this has remained our standard ever since. The ninth section of this act fixed the weight of our silver dollar at $412\frac{1}{2}$ grains of standard silver; the tenth section fixed the weight of an eagle at 258 of standard gold. This reduction was in the alloy. The amount of pure metal remained the same in both our gold and silver coins, so the ratio of 16 to 1 was not disturbed; and it has remained our ratio for full weight legal-tender coins ever since. In 1849, Congress, by the Act of March 3d, authorized the coining, out of standard gold, "coins of gold for the following denominations and value, viz. : Double eagles, each to be of the value of twenty dollars, or units, and gold dollars, each to be of the value of one dollar, or unit." The unit referred to in this Act was the silver dollar of 371 $\frac{4}{16}$ pure, or $412\frac{1}{2}$ standard silver, which had been made the unit of value by the Act of April 2d, 1792.

The sudden increase of more than \$100,000,000 in the world's production of gold from 1850 to 1851, drove silver

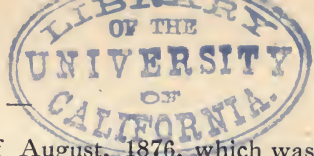
*The Under-
valuation of
Silver.*

out of circulation in this country, although the market ratio was not changed. The ratio in 1840 was 15.62; in 1845, 15.92; in 1850, 15.70; in 1853, 15.33; and in 1855, it was 15.38. The Government to relieve the distress that had been occasioned

by the sudden disappearance of our silver coins on account of the undervaluation of silver compared with the valuation which the governments of Europe had put upon it, by the Act of Congress of February 15, 1853, authorized the coining of our subsidiary coins, and fixed the weight of our half dollars at 192 grains, and the quarter dollar, dime and half dime respectively, at one-half, one-fifth and one-tenth the weight of the half dollar. The market ratio of gold and silver continued to fluctuate between 15 and 16 until 1873, notwithstanding the great increase in the yield of our mines and the world's production of the two metals. During that year the United States and Germany demonetized silver and adopted the single gold standard. Thus the gold dollar was made the unit of value, and the $412\frac{1}{2}$ silver dollar, the dollar of our fathers, which had been the unit of value since 1792, was dropped from our coinage system, and the bastard trade dollar was substituted for it. I call it the bastard dollar because no man would father it; because it was not a legal tender except for five dollars, and because the Government repudiated it.

This demonetization of silver was accomplished surreptitiously by the single-standard men, and at a time when specie payment was suspended, and was not discovered by the people for some time thereafter. The first I knew of it was in 1876, when I read a statement made by Senator Jones in the United States Senate, "that there was a fraud in the demonetization of silver." This attracted my attention, and I immediately gave the subject a thorough investigation, and became convinced of the great fraud which had been perpetrated upon the people of the United States. The Government had contracted a debt of \$2,773,236,173.69 in the suppression of the rebellion, measured by the silver unit of $412\frac{1}{2}$ grains of standard silver. The Act of February 12, 1873, had changed the unit by which this debt was to have been paid from a silver to a gold unit, and to appreciate that unit it had demonetized silver. This made our Government bonds payable in gold, with the value of gold greatly enhanced by striking down silver. There was a subtle steal of millions in it. I determined to call the attention of the people to this great fraud, and did so, in a speech in favor of the remonetization of the silver dollar, delivered at

The Demonetization Fraud.



Richmond, Ind., on the 25th of August, 1876, which was extensively published throughout the country, Iowa was the first State that took action on the question. The Republican State Convention of that State met in the fall of 1876, and passed a resolution in favor of remonetizing silver. When Congress met, Hon. R. P. Bland, the distinguished statesman from Missouri, Chairman of the Coinage Committee of the House, introduced the famous Bland bill, which finally passed both Houses of Congress, and was vetoed by President Hayes. It was passed over the President's veto, and became a law on the 28th day of February, 1878.

This act restored to our coinage system, and to the people, the 412½ grain silver dollar, and made it a legal tender in payment of all debts, public and private, without free coinage. It authorized the Government to purchase bullion, and coin not less than \$2,000,000 nor more than \$4,000,000 per month of silver dollars, and make them a legal tender for all debts, public and private, and authorized the issuing of silver certificates. These last two acts make up our present defective coinage system.

Gold and silver have two relative values—one fixed by the laws of nations, which is called their legal ratio; and one fixed by supply and demand, which is called their market ratio. These two relative values are never in complete harmony, but were never wide apart in this country prior to 1873.

*Relative Values
of Gold and
Silver.*

Our legal ratio is 16. In 1873 the market ratio was 15.92. Since then the relative value of gold and silver has undergone the greatest change of modern times. In 1874 it was 16.17; in 1876, 17.88; in 1879, 18.40; in 1885, 19.41; in 1886, 20.78; and in 1887 it reached 21.10. And the director of the mint informs me that the Government paid at its last purchase of silver bullion, prior to October 16th, 1889, only 93.95 cents per ounce for pure silver. At this rate our silver dollar had an intrinsic value of only 72.6 cents. We find nothing in the world's relative production of gold and silver during this period to cause this change. We have seen that up to 1881 the world's production of gold exceeded that of silver; that during that year the production of the two metals was the same; that from 1881 to 1886 the production of gold had

only declined from \$103,000,000 to \$97,000,000 in round numbers; and that the production of silver had only increased from \$102,000,000 to \$130,000,000 during the same period, while we find the average yield of silver from 1700 to 1840 was more than double that of gold, and the ratio did not exceed 16.25 during all that time. We are,

Effect of Unfriendly Legislation. therefore, forced to the conclusion that this great decline in the value of silver had been caused by unfriendly legislation in this country and Europe. That the United States, the greatest silver producing country in the world, should aid in destroying the value of one of her leading products by unfriendly legislation, is a sad commentary upon the wisdom of her statesmen.

We find, from this review of the history of our coinage legislation, that from the beginning down to February 12, 1873, the double standard, with a free coinage of both gold and silver, has been the settled policy of our Government; and that during all that period the relative value of gold and silver adhered closely to our present ratio of 16 to 1, even through that sudden and wonderful increase of the production of gold from 1850 to 1860, when the world's production of gold exceeded that of silver four-fold; and that since we abandoned free coinage of silver, the value of silver has steadily declined. We are therefore forced to the conclusion that the unfriendly legislation which has caused the depreciation of silver is the substitution of limited coinage for free coinage in the United States and Europe, and its demonetization by Germany.

The Coinage of South America. The Republics of South America, except the Argentine Republic, have the double standard, and our ratio and standard of fineness. The Argentine Republic has the ratio of 15½ to 1.

Central America, with the exception of Honduras, had the double standard up to 1875. Honduras has adopted the single silver standard, and her coinage of silver is free. Since 1875 there has been no gold circulation in Central America. The silver soles of Peru and the Chilean pesos, which constitute nine-tenths of the metallic circulation of Central America, have driven gold out of circulation and out of the country. China coins no gold at her mints; her domestic currency is silver. India, during the year 1887,

coined more silver than any other nation, her silver coinage of that year amounting to \$44,142,013, while her gold coinage amounted to only \$4,249.

Now, gentlemen, in the face of all these facts, how can silver be restored to its former relative value? Will the laws or great nations affect its value? Hon. Thomas H. Benton, Missouri's greatest statesman, once said in a great speech on the coinage question that "gold goes where it finds its value, and that value is fixed by the laws of great nations." I believe that the value of either gold or silver can be depressed or enhanced by the laws of great nations. I believe that the demonetization of silver by the United States and Germany, in 1873, and the suspension of free

The Special Cause.

coinage by the nations that belong to the Latin Union, is the true cause of the depression of silver instead of the increase of its production, and that if these same nations would return to free coinage of silver together, that silver would be restored to its par value again. We brought up our depreciated paper currency to par value by the force of legislation in four years, and I feel confident that we can restore silver to its par value in three years, and thereby make our silver dollar intrinsically worth a dollar. The United States being the leading nation in the world, and the most interested in the value of silver, it is eminently proper that we should take the lead in this movement. But suppose that neither Germany nor the governments that belong to the Latin Union joined us in this movement, what would be the result? The world's coinage of silver increased \$36,000,000 from 1886 to 1887. During the year 1887 the world's coinage of silver exceeded the world's production of silver by \$30,000,000. If this demand for silver keeps up a few years, silver will soon resume its former value, without the aid of legislation. With free coinage restored, the great law of supply and demand will then regulate the volume of our metallic currency through free coinage, just as it now regulates the volume of our paper currency through free banking.

THE DEBTOR AND CREDITOR ALIKE INTERESTED.

BY JOHN T. FIELD, OF MISSOURI.

MR. PRESIDENT AND GENTLEMEN OF THE NATIONAL SILVER CONVENTION—In answer to the question, “What would the effect be of restoring silver to unlimited coinage?” I would say, in brief, beneficial to both the debtor and creditor classes, by restoring interest rates to creditors, and enabling debtors to profitably employ money. And in the further discussion of the subject, I would remark that, believing that the benefits to result from the free and unlimited coinage of silver will redound to creditors as well as debtors, I desire to call the attention of the Convention and the country to the fact that the cause of the steady decline in the rate of interest in this country may be traced to the demonetization of silver. No doubt many will say at once: “This cannot be true, for it is evident that the low rate of interest in all countries is because of the great increase of capital,” by which is meant wealth, generally, but, specifically, money. A few plain facts may enable us to grasp the idea, that the same causes which were put into operation to enhance the value of money (that is, the demonetization of silver), and which operated at the first to the disadvantage of the many (the debtor class), are now working out their legitimate results, so that all people, of all classes, are now suffering from the operations of the same general cause. It would be profitable to inquire what causes have made the rate of interest so low in England, in Holland, in Germany, so that money can no longer find profitable investment at home, but must seek

*Steady Decline
in Interest.*

new countries for the employment of surplus funds; but time will not permit so lengthy a discussion. A low rate of interest, or rather a low profit for the use of money, must result only from two causes, operating singly or together. First, from an excess of money over demands for its use; or, second, from an accumulation of money incident to a lack of confidence in investments or securities.

The first proposition will not, perhaps, be controverted, but the second may require discussion. Whenever there is a distrust as to the value of an investment, the money to be exchanged for such securities will either be slow in coming forth, or will

The Great Cause.

be permanently withheld. In either event, the returns to capital are cut off for a greater or less time, and a loss of income results. The loss of income, which illustrates the effect of idle capital, may be illustrated in another form by suggesting the loss of income resulting from an idle dwelling or storehouse. Again, when a lack of confidence overtakes the financial world, capitalists and all persons having money to invest in interest-bearing or rent-producing securities, and especially those who may be compelled to rely upon the income derived from the earnings of their investment for support, will consent to a reduction in the rate of interest to be received in proportion to the value or convertibility of the security offered.

No one needs to be told that hard times, and financial and monetary distress, result from some derangement of the producing, the manufacturing or the mercantile communities, or all combined. When the gross income of the

The Source of the Trouble.

producer, the manufacturer or the merchant is reduced, he must either curtail his expenses or his bankruptcy must ensue. When the producer curtails his expenses, the merchant is compelled to reduce the volume of his purchases, and proportionately must the manufacturer reduce his purchases from the producer, in the endless circle of cause and effect; and the grind of distress will be yet more severely felt at each recurring revolution of the wheel of human reciprocal activities. Let a simple illustration suffice: A man, let us say a tobacco farmer, has been accustomed to purchase one dollar's worth of cigars a week, from the retail dealer. Circumstances, from any cause, induce the tobacco grower to

reduce the volume of his expenditures for cigars to fifty cents a week. Now suppose that all the consumers of cigars reduce the volume of their expenses 50 per cent. It is evident that the retail dealer must also reduce his expenses and cost of living 50 per cent, and also will he be compelled to purchase less from the wholesale merchant or manufacturer, until the wheel comes around again to the tobacco farmer, who first set in motion causes and produced effects which compel him, to his dismay, either to sell a whole crop for a half price, or make a scarcity in the market by producing half a crop to sell for the price of a whole crop originally. However, this last proposition is not often carried out. Whenever, from motives of economy, or trade competition, or from any other reason or incentive, the price of wages is curtailed, instantly must result a reduction in the expenditures of wage-earners. The beneficial effects of the reduction of wages will be felt immediately by the wage-payer. But it is evident, from any illustration you may use, on any scale, that when a sufficient time has elapsed, the wave of distress from the wage-earners, must strike the wage-payers, and all society and the entire social fabric must experience an effect. So it will appear that those who enjoy fixed incomes, though far removed from any active participation in the ramifications of commerce will, in the end, experience distress commensurate with that felt by the wage-earner.

*Effect of a Cur-
tailment of
Wages.*

Let us take another illustration, in the case of a day laborer, a farmer, and a widow who lives off the interest of money loaned the farmer. Prior to the demonetization of silver the widow's money readily earned 10 per cent interest per annum, and at that date the security of the investment (we will say a mortgage on a farm in Illinois) was considered ample. The laborer she employed then (down East) received from \$1.50 to \$2.25 per day. By the demonetization of silver and the gradual withdrawal of paper currency from current uses, the volume of money became insufficient for the requirements of the steadily increasing volume of business and population of the country. Consequently, the purchasing power of the money in circulation steadily increased, to the great advantage of the widow, who found her income would purchase a greater

quantity of goods and necessities; and the laborer found that he must give more of his labor for the \$1.50 per day he formerly received, or (what amounted to the same thing) consent to a reduction in the price of a day's labor.

Realization of the First Effect. The laborer was told that the cost of living had become so much cheaper, that he could afford to receive less wages, and still be quite as well off as when wages were higher. He found that it had come to the point of less wages or none. He accepted the situation, and perhaps expected to get along quite comfortably on \$1, as everything else had proportionately lowered in price, as measured by the gold yard-stick. But there came in also a new disturbing element. He was not employed as steadily as before. He began to have frequent days of idleness. He began to complain that "no man hath hired me." He began to realize that if steamboats were worth \$1 a piece he would never be able to buy a wheel-house. The farmer, also having realized that in some unaccountable manner he was not getting rich very fast, began to cut down expenses, in order to enable him to pay the interest on the mortgage on his farm, due to the widow. After a time, the mortgage itself became payable, either because of its maturity or of the inability of the farmer to pay the 10 per cent interest notes; and the farmer and the widow had a conference. These conferences occurred all over the country, and are yet going on. This one resulted in the re-adjustment of the rate of interest. The payment of the principal was not discussed. The widow did not want it, because she could not get it. The farmer could

Realization of the Second Effect. not pay it, because he could not borrow the money. This re-adjustment in the rate of interest on National, State, County, Municipal and Railroad bonds, has been going on steadily; down, down, down, until no one would be surprised to learn that United States renewal bonds would be taken at par, bearing interest at the rate of 2 per cent per annum, payable quarterly, in gold coin, in New York or London. At this date it is a usual thing to figure on investments on a basis of 3 per cent interest per annum.

When we come to think of it, does it not strike you that the widow with the fixed income made a big mistake, when, to enhance the purchasing power of the gold money

of the country, she thus destroyed one-half of the money of the country by the demonetization of silver?

“Though the mills of God grind slowly, yet they grind exceedingly small.”

If we have found the prime cause of the commercial, the manufacturing, the agricultural, the national distress; and

Demanding the Remedy. if we believe this to consist of an insufficiency in the volume of metallic currency

basis in this country, in the name of our country, in the name of humanity, let us demand the principle of free and unlimited coinage of silver in the mints of this country, and in the mints of all the world, for, while we can only deal with this question among our own people, the influence of the acts of the United States must affect the people of the globe. The United States, single handed, can accomplish great results in the amelioration of the condition of the people of the globe, and no more powerful factor can be put into operation to accomplish beneficent results than by the remonetization of silver.

A RETURN TO CONSTITUTIONAL COINAGE DEMANDED.

BY GEORGE WILSON, OF MISSOURI.

The Declaration of Independence says that the purpose of governments is to secure to men their natural rights. This declaration was made by the original thirteen States, and every State that has since been admitted to the Union has had to subscribe to this doctrine. It is the natural right of every man to fashion any gold or silver bullion that he may own into pieces of such size and shape as may be found most convenient for circulation as money. When the individuals place the duty of coining money in the hands of the Government, it is to facilitate the use of their gold and silver bullion as money; and any act of the Government that restricts it instead is an act of usurpation, tyranny and revolution.

*The Instrument
of Man.*

There can be no doubt of the meaning of the word "money" as used in the Constitution. Gold and silver had long since won their places as money by the law of the survival of the fittest in a contest with almost every other substance known to man. It is necessary that money be and consist of two substances in order to be equally convenient for use in small and great transactions. Money is a full equivalent and final payment. Nature made gold and silver money; human law recognizes the fact. Man's natural right to their unrestricted use is recognized by the Constitution, and every Senator or Congressman who voted against such use, violated his oath to support the Constitution.

Man's natural right demands the unlimited coinage of the money metals. Why should the government coin them without cost to the owners, it will be asked. There are two reasons. First, it is a proper concession to induce the owners of bullion to surrender their right to the government; and, secondly, the stamp of the people's servant and agent, the General Government, makes it in a measure public property, all of which is free from tax or charge. Our demand for the free or unlimited coinage of the two money metals is constitutionally unassailable, whilst the pretense that Congress may demonetize the money of yesterday and make something else money to-day, makes the phrase, "Constitutional money," an ill-chosen one.

We are in debt a thousand ways. As a nation, as States, in all capacities, as minor political divisions, as industrial companies, as school districts, as religious bodies, in other ways innumerable, we have put ourselves in bonds. We have agreed to pay certain interest on the bonds. Law will not allow the owners of these bonds to alter the obligations of the contract. But it can accomplish the purpose of making the debtor pay more than he agreed to, by making money harder to obtain. It thus increases the purchasing power of what we receive. It does not hurt its conscience that the payer must expend vastly more of his labor or substance to pay the amount named, but, in this age, it is necessary to say something else than "what are you going to do about it." It is necessary for the few, who propose to make the many pay more than the bond calls for, to endeavor to deceive the many with a show of reason and legality. But they have never yet advanced an argument that is not a tissue of absurdities. Every contract for the payment of money that has ever been made since the adoption of our Constitution, has been made under the proviso that as much of the gold and silver of the world as the owners choose to pay in payment may be so used. Every law that limits the coinage or use of either metal interferes with the obligations of contracts. Relying upon the protection of the Constitution, brave men went out by thousands to seek the money metals in our Western mountains. The story of their hardships exceeds in interest all the great epics of the world. There they found the money metals

Existing Debt Obligations.

A Constitutional Protection.

in such quantities that the holders of the evidences of the myriad forms of debt began to fear that their bond slaves would one day be free. The heads of foreign houses in New York, by intriguing with our public servants, succeeded in getting them to legislate in favor of their European masters and against the hardy developers of the wealth of our own State, of Colorado, of Nevada and others. It is beyond explanation to me that there exists public servants base enough to rob their hardy countrymen in the mines of Colorado, of Nevada, and of Montana and all of our Rocky Mountain States, in order that they may add to the incalculable wealth of the foreign holders of our debts. Yet that is what the restriction of silver coinage means, It is not strange that the foreigners will rob us, but it is passing strange that in less than a century from the death of the greatest figure in all history his successor would make himself a tool in the hands of the foreigners to plunder the children of Washington. As a Democrat, I say that is what President Cleveland did, following the precedent set by his Republican predecessors. But the fatal mistake made by the farmers and planters was in not rising en masse and

*Mistake of the
Farmers.*

compelling the restoration of the rights of the hardy miners of the Rocky Mountains. For no member can be injured without the whole body suffering. If there is a place in the world where silver should be in as great quantity as nature will supply it, that place is in our own cotton-growing region. The planters have been almost universally compelled to raise cotton on credit, because the product of the silver mines has been unconstitutionally cut off from circulation. Senator Stewart has shown how the "bearing" of silver in the markets of the world by our own government has forced the wheat of India into competition with our own. The State of Missouri is the first of all in the number of mules raised. My county leads all counties in breeding that unamiable but useful drudge. Cotton growers and movers of silver ores are our best customers. But the blow aimed at the hardy swinger of the pick in the Rock Mountains falls equally on the cotton planter of the South, the wheat growers of the Northwest, and the stock breeder of the Central States. A great writer says that mankind is now

so bound together that the savage of Africa who kills his wife strikes a blow that is felt all over the world. Those foreign bankers in New York accomplished the desire of the old tyrant of Rome, who wished the world had but one neck that he might sever it at a blow. They struck at money, and they thereby took half the bread out of the mouth of the poor man's child all over the world. Less money means less food on the laborer's table, less strength in his arm, less culture, less improvement, less happiness, more misery, more ignorance and more crime. Montana has the silver, North Dakota the wheat. They have forbidden Montana to pour her silver into Dakota, and the poor home-steader becomes a prey to the 3-per-cent-a-month paper money octopus from Europe and the East. That means for him an unequal and more prolonged struggle with the deadly blizzard. It means more years of toil for his ill-clad, toiling wife, less food and education for his shivering children. The demonetizers have tried to rank the constitutional coinage of silver with questionable doctrines. One class is enriched at the expense of the another. The contrary is true. In making that pretense, the intention, of course, is to divide the silver producers from their fellow-sufferers, the farmers and planters. It is nothing but our constitutional rights that we demand; no doctrine is needed. But the bad economic doctrine of discrediting one of our most valuable products is to be condemned at sight. We produce silver. We should not unconstitutionally legislate against it.

We can not build railroads without selling the bonds in Europe, whilst mountains of money in our own country is idle; is shipped to Europe and sold as a commodity. If so large a country as ours is to remain free and united, it is absolutely necessary that the people of the different sections keep acquainted. The differentiation that is a part of the law of evolution can be robbed of its sting by ever remingling the people of the different sections with each other, and letting them learn each other's good points. To this end cheap railroads are absolutely necessary. And for this we must have all the money that we can force from our mother—nature. Thus constitutional coinage will make stronger the bonds of the Union, it will bind us together

*The One Blow
Strikes All.*

*Interests of a
Common
Country.*

with bonds of good will. The servants of great foreign banking houses who set on foot the unconditional demonetization of silver acted on the principle of "divide and conquer" when they set the bait of demonetization. But it is doubtful if they saw how far-reaching the damage to our country might be.

Europe owns our railroads. She would buy all our lands if our laws would allow it. She is buying our own industrial enterprises. Even Kansas City has to send to England for money to build a union depot, as witness the following from a late paper:

The return of Mr. C. Ralph Evans from England, and the announcement that he has secured the money necessary to build the proposed union depot at Second street ought to be joyous news to the people of the north end.

Yet demonetized silver by the car load goes through Kansas City on its way to England to be sold as a commodity. It is time to stop boasting of superior American shrewdness.

The demonetizers say that the bullion in a silver dollar is not worth a hundred cents. This is not true. The bullion in every silver dollar is worth a hundred cents. It is only the bullion out of a dollar that is not worth a hundred cents. Hence if the latter be put into dollars it will be correspondingly raised in market price. This comes from a foundational principle that is illustrated by life insurance. Every man has a right to life. In countries that recognize and protect this right, companies will insure the lives of men. But let a man go into savage countries whose inhabitants do not recognize his right to live and are ready to act thereon, his life at once falls in insurable value. So silver has a natural right to be money. The portion that is coined into dollars has its natural right to be recognized, and retains its natural market price. The portion that is deprived of its natural right by unconstitutional law is of less value.

Silver has suffered grievously from its friends. Some of them have brought forward plans for issuing paper dollars based on bullion deposited, and so on. All such plans virtually grant the demonetizer's false claim that silver is not itself fitted for use as money. The contrary is true. It is silver itself that the people want, and the friends of

*An Insurance
Illustration.*

constitutional coinage should not begin with apologies for it. Besides, all such projects are of doubtful constitutionality. When Samuel J. Tilden heard rumors of a new-fangled plan for deciding his election, he told his friends to stick to constitutional methods. So, on that plan, the friends of silver should demand a return to the old-fashioned constitutional methods and accept no other. Besides, all forms of paper

No Expediencies Acceptable.

have a tendency to chase away coin. We need to have our country saturated with coin. I wish there was not a dollar in paper money in existence. Persons who do not wish to carry the coin could leave it in banks and check against it. South of the Potomac and west of the Alleghanies this country is practically a unit for the restoration of constitutional coinage. We need only to act, and we can accomplish the restoration of constitutional coinage. In my opinion this Convention

A Truly National Interest.

should set on foot a permanent organization under the broad scope of a movement for constitutional coinage. It should not be confined to the silver-producing States. The cotton planter is interested as much as the silver miner; so is the wheat grower; so is the hay grower of Maine, who sells hay to Georgia; so are the manufacturers who sell machinery and other goods to the farmers and planters; so are the stock breeders. Let us invite the people of all the States to join our constitutional coinage league, and direct our public servants to carry out the will of the people.

Coupled with the movement for constitutional coinage should be a demand for one or more mints in the Mississippi Valley at some one or more of the great cities. There is no better place for it than here in St. Louis or in Kansas City.

THE MONETARY CIRCULATION OF THE WORLD.

BY EMILE GRANIER, OF WYOMING TERRITORY.

MR. CHAIRMAN AND GENTLEMEN OF THE SILVER CONVENTION—Will you allow me to add a few arguments in favor of silver? It may be interesting, perhaps, to mention, first, the origin of the mania for gold monetization. When the monetary reform took place in England in 1816, silver was scarce in Europe and gold more abundant. It was an inducement to use gold in preference, and the gold found was made the unit of account. To the fact of England having a gold unit was attributed by some writers the great prosperity of English commerce and manufactures. It was said that gold was the money of rich nations, while poor ones could get only silver. From the economists this theory spread like a drop of oil on cloth to financiers and to the public, and every nation made it a point to imitate England. I remember that at the Paris Universal

*The Convention
of 1867.*

Exhibition of 1867, in the International Monetary Convention, there was only one dissenting voice against gold monometalism.

It was that of the Governor of the Bank of France, who refused to give up the coinage of silver. Since that time the mania of gold monometalism has bewildered the leaders in finances of almost every country, until it has produced such ill results that people will not submit any longer.

Gold represents about the one quarter and silver the other three quarters of the monetary circulation of the world. Should any excess of production happen in either

of the two metals, that excess will scarcely affect the total amount of the two metals, while it would create a fluctuation of prices should gold alone be in circulation. Therefore, prices will be more stable with bi-metalism.

It is stated by gold monometalists that gold is more precious than silver, that it can be more easily transported than silver, and, therefore, ought to be the only one used for national and international money. Facts demonstrate the contrary. In the nations where silver is the only official money the want of gold is unknown, while even the most stubborn gold monometalist country can not dispense with silver coins. It proves that should it really become indispensable to have only one metal for money, the world at large could do away with gold, but business could scarcely be carried on without silver coins. Indeed, it is the silver coins, passing from hand to hand at almost every moment, for every day retail transactions, that constitute the indispensable means of exchange

The Money of the People. for the masses, and amount in aggregate to the gigantic sums enumerated by the clearing houses. As far as the price of transportation is concerned, it is based on the value of the gold or silver coins or the bank bills transported, and not on their bulk or weight. They all pay 1 per cent ad valorem. Therefore, it matters little to the debtor whether he remits gold or silver. In reality, the transportation companies prefer to carry silver, because, if a package is stolen, the loss is $15\frac{1}{2}$ less than if it contained gold. The question of transportation of the metals will be reduced to its simplest expression as soon as a uniform and universal ratio for gold and silver is accepted.

It may be appropriate, while the Pan American ideas are springing up so rapidly, to say a word about that ratio: Almost all the Central and South American nations are bi-metalists, with the ratio of $15\frac{1}{2}$ and a fineness of 900, as in the United States, and a coin equivalent to the five-franc piece. It is true that it matters little what ratio will be accepted as long as it will be uniform for all nations. But it will be a great step toward Pan American unification

A Uniform Ratio. if the United States would spontaneously accept the ratio of $15\frac{1}{2}$. Another consideration in favor of the ratio is that since nearly a century the Bank of France having paid at sight without

any restriction either gold or silver, at choice, on the basis of $15\frac{1}{2}$, that ratio has tacitly been accepted as the basis of all public loans and contracts, made principally by the South American countries for years past, and it is nothing but fair to take that situation into serious consideration. It is worthy of some attention that the five-franc piece represents exactly, without fractions, the average of the units of the great commercial countries of the world. It can be easily demonstrated in taking what was considered the silver unit of value, such as the English crown, the Spanish piastra, the French ecu, the German thaler, the American dollar, etc., etc. By melting in a crucible said silver units of ten countries you will find exactly a five franc piece for each country. In the same way you will find that the average of the different ratios of those countries is $15\frac{1}{2}$. It has been objected, also, that it is impossible to measure the value of the commodities of life with two standards. Let us remark that there is not nor can there

be a measure or a standard of value, and pass on. During the seventy-five years that the Bank of France has paid out on call, indifferently, gold or silver, the appreciation of the value of the commodities of life has not been in the least disturbed by the use of the two metals, because the coinage and circulation of silver coins were free and unlimited in every country except the British Island proper. The same result will be obtained when a uniform ratio—either $15\frac{1}{2}$ or any other that may be decided upon—shall have been accepted by all nations. Then gold and silver will be so solidly soldered together that they will form one single metal, so to speak, at least for their monetary functions. And so it will be, for, nowhere one ounce of gold shall have power to buy more than $15\frac{1}{2}$ ounces of silver, and nowhere shall $15\frac{1}{2}$ ounces of silver have the power to purchase more than one ounce of gold. Then the transportation of the two metals will be reduced to the settlement of the balance of trade inevitable, even with clearing houses.

Nature has provided the two precious metals, gold and silver, with unimitable qualities required for their monetary functions, and it is just as insane for legislators to try to deprive one of them of its natural functions as it would be to ask a man, because he can run with his two legs, to cut off one so he can hop better.

Before closing, will you allow me, Mr. Chairman, to offer one tribute of high esteem to the man who has most contributed by his numerous books, writings and lectures to explain the true principle of bi-metalism, who originated the word monometalism and bi-metalism so much used by everybody? And who first expressed the so important principle of a single and universal ratio for gold and silver—I mean **Henri Cernuschi**.

THE EFFECT ON THE LABORER AND FARMER.

BY HON. THOMAS FITCH, OF NEVADA.

MR. PRESIDENT AND GENTLEMEN OF THE CONVENTION—It is now sixteen years since the demonetization of silver was interpolated into the national laws. During all these years the grip of the monometalist has been tightening around the throat of the laborer. During all these years the vampire bats of finance have been increasing both their power of suction and their capacity for deglutition. During all these years the rich have been growing richer and the poor poorer. During all these years Congress has dallied and dawdled and dawdled and dallied until we are led to question whether the interests of the people or the interests of Wall Street are more potent at Washington. If we expect to accomplish the restoration of silver to its former value we must carry our purpose into the domain of practical politics. [Applause.] There is no party west of the Alleghanies sufficiently strong to saddle itself with continued robbery of the wheat farmers. [Applause.] There is no party in the Gulf States sufficiently strong to identify itself with avowed hostility to the interest of the cotton planters. [Applause.] There is no party west of the Platte sufficiently strong to deny justice to the silver miner. [Applause.] We should, I repeat, carry this question into the domain of practical politics. I mean it is time it should be understood by the magnates of both political parties, that there is no living issue in politics so important to the people of the South and the West and the Pacific Coast as the remonetization of silver. [Cheers.] And if I may be pardoned the suggestion, I will say that

the representatives from the peculiarly silver States of Nevada, of Montana and of Colorado, all of which representatives are Republican, and all of whom are men of perception and of courage, have the power to-day in their hands to do more for the cause of silver than any three men ever had in the United States of America. [Applause.] And if I were one of these men I would take the responsibility of endeavoring to induce the other two members to co-operate with me, and we three would notify the Republican caucus that we would not go into it, that we would not vote for any man for Speaker who was identified with the kings of Wall Street, and that we demanded pledges with respect to the organization of the Committee on Coinage and Currency. We would invite the attention of the Republican caucus to the fact that our three voices would be sufficient to turn the balance of power one way or the other. We would feel assured that every Republican

*Stronger than
Party.*

in Nevada, in Montana and in Colorado, would commend our action in placing the interests of our constituents before party allegiance. We would demand protection for silver from the party of protection, and if we did not get it we would invite sealed proposals from the other side. [Applause and laughter.] I am not here to complain that Michigan lumber, and Louisiana sugar, and California raisins, and Pennsylvania crowbars have been protected, but it cannot be denied that Congress has prostrated rather than protected our great industries of silver, of wheat and of cotton. Protection is not a great moral principle in whose behalf men can be expected to sacrifice their personal interests. It is a coalition in which results should be mutual, and thus far the wheat and silver States have not received their share. In all Nevada there is neither a spindle nor a loom, and the prairies of the Dakotas stretch for hundreds of miles unlit by furnace fire. How can Massachusetts expect that the people of the Northwest will continue to vote for a high protective tariff to sustain New England factories when both political parties in Massachusetts openly avow hostility to the great exporting industries of the Northwest? [Applause.] For ten years the silver producers have begged both Democratic and Republican representatives in Washington to undo the wrong of 1873, and for ten

years they have begged in vain. It is time now that the silver producers coalesce with the wheat growers and the cotton planters. [Applause.] And without regard to previous conditions of political servitude [laughter and applause], demand free coinage. I do not mean that separate political action is now desirable, or that it may ever become desirable, except possibly in a few States. Separate political action would be to abandon the great parties of the country to the gold monometalists. It is, I think, better policy for the friends of silver to capture both the Republican and Democratic parties first locally, and afterwards nationally. [Applause].

Free coinage would, as you know, not only restore silver to its former value, but it would, as has been shown here, add 35 per cent to the present prices of wheat, of cotton, and of farm produce, and it would increase the wages of the

*Benefits of Free
Coinage.*

laborer and add to his opportunities for obtaining employment. Nor would the benefits of free coinage be confined to the miners, and cotton growers, and wheat growers, whose pocket nerves have vibrated with anguish for sixteen years, under the constrictive clutch of the law of 1873. There is no great number of men, none outside of a small coterie of capitalists, who will resist the restoration of prices; for whether as cities, as counties, as States, or as a Republic, we are a nation of debtors. As individuals, as corporations and as firms, we owe vast sums, and while it is true individually that most men who are debtors are also creditors, it is equally true that the public indebtedness and the bonded indebtedness of corporations is held by a comparatively small number of people. It is the misfortune of the laborer, and the gain of the capitalists, that while debt represents a fixed number of dollars, the value of the labor which must earn the dollars to pay the debt fluctuates upon the current of supply and demand, and the courses of those currents are largely controlled by the creditor class. We have heard something here about money as a measure of value. The truth is, that human labor is not only the creator of all value, but it is the tape-line by which all values must be measured. [Applause.]

*Labor the Measure
of Value.*

From a steamship to a hair-pin, from a cargo of sugar to a spool of cotton, the value of

every product of man's skill and industry depends upon the amount of human labor expended in its production. The apparent debt of this nation is the number of dollars it owes; its real debt is the number of days' labor it will require to earn the number of dollars of debt that it owes. Perhaps as a people we have not sufficiently considered these plain principles of political economy, and in our legislation we have been too much inclined to listen to the counsels of bankers, who are supposed—I don't know why—to possess the financial wisdom of the ages, and to carry upon their shoulders the credit and prosperity of the nation. I do not concede that the Atlas who sustains the weight of a world will be found behind a bank counter. The creators of wealth, the people who pay the taxes, who maintain the armies, who bear the burdens of civil government, who make good the losses caused by fire and flood, will not be found in the palaces of trade nor in the drawing rooms of fashion. They are hammering at the anvils, they are guiding the shuttles, they are facing the foam-crested seas, they are felling the forests, they are smiting the rocks, they are toiling in the wheat and cotton field, they are busy at cook stoves and wash tubs and sewing machines. They are paying the debt with their toil, paying it with sweat of face and vigil of brain, paying it with values created amid hot furnace fires and under sweltering suns. [Applause.] Their labors have been as ceaseless as those of Sisyphus, and about as fruitless, for, after twenty years of general prosperity, the amount of our national debt, measured by the number of days' work that would be required to pay it, is about as large as it was in 1868, and one has but to journey through this land to know that amid apparent general abundance, amid vast actual increase of general wealth, the laborer is not so prosperous, so contented, or so hopeful, as he was in the years which immediately succeeded Appomattox. For sixteen years, in this Republic, the laborer has been vainly striving to increase the number of dollars he received for his labor, and the capitalist has been plotting successfully to increase the amount of toil he receives for the dollar. For sixteen years, in this Republic, the market value of dollars has gone up, and the market value of men has gone down, until freemen in their bitterness and their

*The Laborer
and the Na-
tional Debt.*

wrath sometimes ask which is the greater evil, the black slavery that is gone or the white slavery that has come. [Applause.] Do I overstate the situation?

A Voice. No.

I will refer to just one statistic. In 1868 the amount of our national debt was \$2,610,000,000. Wheat was worth \$1.29 per bushel, cotton 19 cents a pound, pork \$27 a barrel. We could have paid the national debt then with 1,400,000,000 bushels of wheat, 100,000,000 barrels of pork or 43,000,000 bales of cotton. Since 1868 we have paid in money \$1,480,000,000 of the public debt, and there is now left in money to pay \$1,130,000,000. But wheat has declined to 86 cents per bushel, cotton to 10 cents per pound, and pork to \$11 per barrel. It would take as many bushels of wheat, as many bales of cotton, as many barrels of pork, or as many days' labor to pay the balance now due, of \$1,130,000,000, as would have sufficed in 1868 to pay the debt of \$2,610,000,000. We have made about as much real progress in paying the debt as did the god of Scandinavian mythology who undertook to drain a drinking horn, but found it was connected with the ocean. [Applause.]

Twenty years of abundant harvests, twenty years of extending highways, twenty years in which the alert fingers of invention have harnessed the forces of nature to the car of man's progress, twenty years of toil in the fields and forges and furnaces and factories of the land, twenty years of unprecedented prosperity, twenty years of marvelous growth, and at the end the laborer is working for smaller pay, and the national debt is reduced in effect only about nineteen millions of dollars worth of labor at a cost to the workers of \$1,446,000,000 worth of toil.

The laborers tried to drain the drinking horn, but ever the rapacious and remorseless ocean rushed in and kept the salt and unrefreshing waters at their lips. Still has Sisyphus of the prairies rolled his burden up the steep hill, and still has Jupiter of the banking house sent it crashing back upon the breast of his slave. Has the laborer, then, nothing to show for twenty years of toil? Oh, yes; he can boast that the aggregate wealth of the nation has

largely increased. He can boast of factories established, of cities erected, of rivers bridged, of mountains tunneled, of transcontinental highways stretching from ocean to ocean. He can call the roll of the land's millionaires and eight thousand will respond, where before the war there were less than 500. He can wipe the sweat from his weary face and reflect that among the 8,000 millionaires may be enumerated the names of twenty American citizens who have gathered \$1,500,000,000 from the toil and the tears of 60,000,000 people. [Applause.] He can reflect that these twenty men can combine their interests and their efforts and fix the price of every bushel of wheat, every ton of coal, and every day's wages of labor between the Hudson and the Sacramento. He can reflect that these twenty men have it in their power to name the majority of the Senators, Congressmen, Governors, Judges and Legislators in twenty States. He can jostle his rags against the silken garments which his toil has made. He can regale his hunger by the odors of feasts which he can not taste. He may walk weary and shelterless in the shadow of the palaces which he built, but may not enter.

The Laborer's Satisfaction.

I seek not to assail the rights of capitalists, or arouse against them the prejudices of poverty or the brawlings of unthrift, but for twenty years capital has tampered with the people's money and gathered to itself illicit gains by increasing the burdens of industry. The fight for the restoration of silver is a fight of the debtors against the creditors, the laborer against the capitalists, of the poor against the rich, and it needs all the vigor of speech to make high the words of inspiration and hot the words of warning which this cause demands.

To-day over all the Northwest the farmer views with dismay the narrowing margin between the cost and the income of the wheat field, and wonders why it is that the prices of those things which he has to sell continue to fall in value so much more rapidly than the prices of those things that he is compelled to buy.

The Question of To-day.

To-day, in far Nevada, the miner stands by the deserted shaft and the smokeless furnace, and wonders why it is that the value has departed from the fair white metal.

To-day, the Southern planter reads the market reports with a sigh, and wonders why it is that with an increased consumption of the great Southern staple there can not be an increase of the price sufficient to free him from the fears of bankruptcy.

Neither miner, nor farmer, nor planter need seek far nor long for a cause of their distress. They will find it in the offices of the Bank of England; in the Chancellor's palace at Berlin; in the counting-rooms of Wall Street. They will find it in the phrases demonetizing silver, which, whether fraudulently or inadvertently inserted in the National laws, have ever since been kept there by the efforts of a cruel and rapacious cabal. The clandestine law of 1873 ought to be ejected from the national statutes immediately and unconditionally. [Applause.] Any lesser measure of relief will be paltry and ineffectual. It is idle for the monometalists to tell us that the prices have been reduced because of the increased production of wheat and cotton in India. This may be the proximate cause, but the cause of the cause will be found in silver demonetization alone. The production of both wheat and cotton in India has been stimulated artificially, and it has been made possible for English millers and spinners to bring the grain of the Punjaub and the cotton of Bengal to Liverpool at such reduced cost as enables them to beat down by 35 per cent the prices of American products, simply because of the existence and working of the act of 1873. England purchases silver in the United States where it is demonetized, at 90 to 95 cents per ounce, and by stamping it into Indian rupees, disposes of it in India—in exchange for wheat and cotton—at \$1.29 per ounce. The Northern farmer loses 30 cents per bushel on his wheat, and the Southern planter loses 3 cents per pound on his cotton, because the rupee which passes for 32 cents in Bombay is composed of 23 cents worth of British gold and 9 cents worth of British diplomacy and power, or rather because England can buy 32 cents worth of American silver with 23 cents worth of British gold and 9 cents worth of British gall.

*The Real Cause
at Work.*

English statesmen are perhaps not to be censured for availing themselves of American assistance to rob the American miner, and bring bankruptcy to the doors of the

American farmer. The marvel is that our own Senators and Congressmen should by action and non-action have aided such a conspiracy. The marvel is that we should have helped our commercial rival to strike 35 per cent. from the value of the silver, and the wheat, and the cotton which we have to sell, and which she is compelled to buy. Issachar is renowned as a patient ass. In our own beloved land, behold the Issachar of nations, who has saddled and bridled himself, and plotted to increase his own load, and decrease his own allowance of barley. [Laughter and applause.]

Doubtless other causes than the law of 1873 have combined to reduce the value of wheat and cotton below the prices of 1868, and it is not claimed that the remonetization of silver would restore wheat to one dollar and eighty-nine cents per bushel, and cotton to nineteen cents per pound, but it is perfectly safe to assume that to advance silver 35 per cent in value would be to advance wheat 35 per cent in value. English merchants pay Indian producers only a small profit on the cost of production of wheat, and such cost cannot be materially lessened. Therefore, if English rupees should hereafter cost English dealers thirty-two cents instead of twenty-three cents, the difference of 35 per cent would necessarily be added to the cost of Indian wheat at Liverpool, and American wheat would inevitably advance in price in the same proportion.

If we believe that silver remonetization would result in an increased price for farm products, why should we hesitate to restore the double standard?

The Question for the Farmer. What is there in the financial or commercial conditions of the land that should affright us?

I know it is said upon the alleged authority of a venerable gentleman who is supposed to be a master of finance, because his portrait and his autograph adorns some of our national currency, that if America remonetizes silver it will make no difference with the value of silver in Europe, and if there should be a failure in one year of the wheat and cotton crop, this country would be drained of gold in order to pay our balances in Europe, and universal ruin and bankruptcy would result. It will be observed that the "Spinner" who has woven this ingenious argument, has used an assumption for the warp and a peradventure for

the filling of his cobweb. What attribute has God Almighty in common with the gold bugs that He should withhold His sun and His rain, and blight the crops from Minnesota to Texas, in order to preserve their accumulations and increase their gain? Since when has the United States of America fallen so low that her single arm is not strong enough to lift silver from the dust into which England and Germany and the Latin Monetary Union combined to strike it? Ours is the most powerful and wealthy nation on the globe. Our credit reigns at the head of the world's finances; and if we stamp upon three-quarters of an ounce of silver the statement that it is worth \$1, and will be received at our national treasuries for \$1, it will pass current for \$1 throughout the western world. If the miner can take his ounce of silver to the United States branch mints and get \$1.25 for it, he will not sell it for less than that sum. And if it is worth that in American markets, where will our British brother go to procure cheap silver for the manufacture of Indian rupees? Will he go to the countries south of us? From the Rio Grande to Cape Horn every nation except Brazil has either a double standard or a single silver standard, and Brazil produces no more than 2,000,000 of ounces of silver per annum. Will he go to Russia or Austria? These countries maintain a silver standard of values, and the 15,000,000 of ounces which they annually produce they use in their own mints and factories. Will he seek for bar silver in his own Antipodean and Hyporborean and African colonies? Together they yield less than 10,000,000 of ounces per annum, and I apprehend that the devotion of Colonial Englishmen to the mother country is nowhere so pronounced as to induce them to sell to England for 95 cents silver for which they can obtain elsewhere \$1.25.

No relief can come to the English silver buyers from all the lands washed by the Indian Ocean. The silver which is sent to India and China is retained there. The people of those countries use the white metal in transactions between themselves, and when it is not in use it is hoarded in earthen vessels and buried in the ground, but it is never returned to the channels of the world's commerce, and Asia is the historic grave of silver.

*The Power of
the Government.*

*No Supply of
Silver.*

England in control of the industrial, political and social life of India has become to-day the greatest silver consumer in the world, and yet she produces in all her vast Empire less than 7 per cent of the world's supply of silver. And Germany, her conspirator in the work of silver demonetization, produces less than 3 per cent. Where, in all history, will you find an instance of such successful interference in American legislation by European powers as that by which silver was surreptitiously demonetized, as in 1873?

A voice: Nowhere.

That nation which consumes 50 per cent and produces but 7 per cent of the world's supply of silver, beguiled the nation which produces nearly 50 per cent and consumes 25 per cent of the world's supply of silver into a conspiracy to strike 35 per cent from the value of silver! That nation which is the greatest importer of wheat in the world, inveigled the nation which is the greatest exporter of wheat in the world into a financial and commercial dead fall where 35 per cent was taken from the value of wheat. The nation whose looms would be idle, and whose people would be hungry, and whose government would be upheaved upon the storm of riot if without a supply of American cotton, deceived the nation which is the greatest producer of cotton into striking 35 per cent from the value of cotton. Why, gentlemen, England is the bunco steerer of the world. [Applause.] And Uncle Sam the gentleman from the rural districts. [Applause.]

How much longer will our miners, planters and farmers consent that Republican and Democratic Senators and Representatives at Washington shall continue to subordinate the interests of American firesides to the exigencies of European finance and the cupidity of New York bankers? Is it not time for the American eagle to rise and shake the Liverpool salt from his tail. [Applause.]

It may be that the sudden remonetization of silver would produce some temporary disturbance in Wall Street. The knife that cuts away the cancer causes the patient some agony, and the cautery hurts while it heals, but even so, the eastern and western boundaries of this nation may not be found between Pearl Street and Broadway.

*The Knife and
the Cancer.*

We are here to represent the interests not of the creditors, not of the capitalists, but of the debtors and laborers of this land. We are here to represent the cottages and the cabins of this country, and their interests should be protected. though the hearses of bankruptcy should choke the stream of traffic in front of Trinity Church, though the bulls of Wall Street bucket shops should bellow with rage, and though the fiery waters of nethermost hell should engulf the bears of the corn and cotton exchange. [Applause.]

Gentlemen of the Convention, the action which should be taken by the friends of silver could be suggested in a sentence. On the night of the second battle of the Wilderness, Sheridan dispatched to Grant: "If the thing is pressed I think Lee will surrender." The answer came from Abraham Lincoln in words which are now historic, "*Let the thing be pressed.*" Let this Convention adopt those words for its motto, and "let the thing be pressed."

AFFECTING ALL INDUSTRIES.

BY DENNIS SHEEDY, OF COLORADO.

With the use of silver as a money metal, and completely remonetized, we will derive numerous and diversified benefits. Our farmers will receive 20 per cent more for their products now, and labor will receive a greater compensation for its service. England will not be the free buyer of silver at 93 cents per ounce, selling it at \$1.29 to India, in exchange for their products. There has been no time since trade and commerce commenced with the nations of the earth that silver has been in *Silver in Greater Demand than Ever.* greater demand, and no time when it has been so much depreciated by the gold bugs of the East. They have controlled the power of the Federal Government, and have made the silver States and Territories of this continent, and the farmers and laborers and miners of this country, \$100,000,000 poorer than they were before silver was demonetized. The crying need of the representatives of these industries is that silver be remonetized and restored to its true value as a money metal, thereby increasing all values governed by the double-standard of the circulating medium of the fathers of this Government. If this republican form of government is to be maintained, and the voice of the majority of our people is to govern the action of Congress, we are entitled to the unlimited coinage of silver and to its remonetization as a money metal. It is safe to say that no nation, either monarchical or republic, has ever before attempted to speculate off of its own people, as this Government has done off of the honest farmer, laborer and miner.

Mr. Chairman, if we look upon silver as a commercial production, the point is now reached where consumption has more than overtaken production. That *Production and Consumption.* is, a depreciated value has stimulated the use in the arts of a formerly noble metal. Unlimited United States coinage will remonetize silver,

and not flood our country, as gold men claim. We can for years buy all the silver offered and replace bank notes representing only the faith of the Government by certificates which represent money. England is a large buyer of silver. What will she do when she has to buy to pay her India exchange whenever due if she can get none from us? Will any South American silver come to us and force gold away when England stands ready to buy their silver with her gold?

When we have raised the value of our production, our price must be paid or none of our silver goes away, and some of it England must have.

Why have we for years allowed England to dictate to us what price we will take for this article? We do not produce as much as we really need for ourselves. Our production of 45,000,000 ounces in 1888 we could easily have used ourselves. Europe being practically a non-producer of silver, and needing large amounts for use, naturally will force the price to the lowest point. Are we not very foolish in expecting any help from that source? Since we demonetized silver, millions have been given to them by us, for which we have received no advantage whatever. They said they would give so much for it, and we very simply took their price, when in reality we had no reason to part with the metal at all. We needed it all ourselves. Why should we give our silver to England at a discount in order that she may be able to force a competition between our wheat fields and India's; between American citizens and breech-clauted Hindoos?

Compel England to pay par for silver, and then she will have to pay you a better price for wheat. Since 1878 we have been coining monthly \$2,000,000 of silver. Have we lost gold in that time? On the contrary, we have gained gold and exported an excess of silver, which we needed for money. Where can Europe replace this silver, which she must get from us, unless she takes our coined silver? China takes Mexico's silver as fast as she can get it. Will there still be excess enough produced in South America to supply Europe and India? Where is the great flood to arise that will deluge the United States? If coined by us, it will not stay here, but overflow as coin to Europe at its true value.

*England Must
Have Silver.*

There are about 2,500 emigrants coming into this country every day. They are wealth producers. What sort of money are you going to give them to transact business with? Certainly not gold—you haven't enough of it, and you certainly do not wish a paper basis.

Is it usually customary for people to depreciate what they have to sell? Nevertheless, that is what the United States has been doing since 1873.

*Nutshell
Queries.*

By allowing silver to be demonetized we have damaged ourselves:

1. By lowering the price of silver from \$1.29 to 93 cents per ounce, or 36 cents per ounce discount. The United States produces 45,000,000 to 50,000,000 ounces per year. You are selling this at a discount of one-third.

2. By lowering the price of wheat from \$1.20 in 1863 to 90 cents in 1889. The United States produces about 480,000,000 bushels of wheat per annum, which you are selling at a discount of 25 per cent. How does silver effect wheat? The price of wheat has been forced down by silver-using nations, which are compelled to pay their debts in wheat rather than sell silver at the ruinous rate to which your foolish laws have forced it.

3. You lose \$10 on every beef steer your farmers and ranchmen produce. You lose from \$1 to \$3 on every barrel of pork produced by the United States, and for the same reason cited above.

4. The Government of the country, the railroads, the State and city governments and large corporations are largely in debt, and the depreciation of silver has doubled the evidences of indebtedness, and made richer the holders of these securities by 50 per cent.

In conclusion, I would say, Mr. Chairman, we hope that the voice of this Convention will be heard from the Pacific to the Atlantic, and from Alaska to the Gulf of Mexico in such unmistakable tones as will cause the Congress of this nation to take such immediate action as will remedy this great wrong done to 60,000,000 of people.

A STUDY OF THE WORLD'S DEBTS.

BY A. C. SHINN, OF KANSAS.

Every generation has its own battles to fight, its own evils to overcome. With this idea for the basis, let us see where the world now stands from a financial standpoint; (for the question which we have met to discuss is wider than the borders of any nation, and covers the trade of this whole sphere). The very first point that stands out more prominent and bolder than any other is the immense public debt of all civilized and half-civilized nations. This debt is all of comparative modern growth, the very oldest part of it being of less than two hundred years, and this of small amount. The increase was very small and gradual for one century, and then it began somewhat faster until about fifty years ago, when the idea of a perpetual public indebtedness got firmly fixed in the minds of financiers, and from that until nearly twenty years after the increase was extremely rapid, when we find the main nations of the earth with about the following indebtedness:

The World's Debts.

England.....	£731,000,000	or	\$3,655,000,000
France.....	936,000,000	“	4,680,000,000
Italy.....	395,000,000	“	1,975,000,000
Austria and Hungary.....	375,000,000	“	1,725,000,000
Spain.....	375,000,000	“	1,875,000,000
Turkey.....	197,000,000	“	985,000,000
Russia.....	133,000,000	“	665,000,000
Holland.....	78,000,000	“	390,000,000
Prussia.....	45,000,000	“	225,000,000
United States.....	412,000,000	“	2,060,000,000

(Vol. 4. Library of Universal Knowledge, Art. Debt.)

About this time it was thought that the debts of nations were about as large as they were able to carry, so some other scheme must be devised to increase the burdens of the people, and at the same time, keep them from locating what was hurting them. What direction, then, were the minds of the people taking about this time, that made it so easy to bring this increased burden on the

nations? We find the United States in a struggle for existence as a nation; Germany consolidating her German-speaking principalities into one great nation; France looking with evil eyes at Germany, and with almost constant internal troubles; the Italians working for a united Italy, which was finally brought about, and England, while she had some minor wars, was alone of all the nations so situated that she could take advantage of the situation at an early period. She it was that found herself with immense quantities of foreign bonds, of nations, of States, and of corporations, so that if any way could be found to make these bonds more valuable it was to her interest to do so. Here, then, is a clear case of the interest of one nation being antagonistic to the others; or rather for the bondholders of one nation to start the idea going that would work a great evil to the taxpayers of their own and all other nations.

*The Birth of
Demonetiza-
tion.*

It was under these conditions that the idea of demonetizing silver originated, and while the minds of nations were on subjects temporary and local, they got this demonetizing scheme adopted by some of the nations; then they could go to others with less fear of failure, to get the standards of value changed.

Here, in the United States, they, like the evil one of old, came while we slept and accomplished their object without our President or Congress knowing that it was done, and such has been their power, that, to this time, we have not been able to undo the evil that was done unto us. We are like Sampson, shorn of his locks while asleep, blinded and bound and forced to grind for the Philistines. So we, originally deceived, and our acceptance of this plan perfected in our blindness, have been kept bound by the power of the money lords, to the destruction of many of us, and the toiling and slaving unjustly of many more; and they, the ones who wish to change our yard-stick of measure to gold, when we cry out that we are injured, tell us that it's our intemperance that is hurting us, and start a political party to emphasize it; or that it is a fiat dollar that we need, thus cutting loose from any measure whatever; or it is a beef combine, or a twine trust, or the railroads that charge too much, or the tariff, which, it is claimed, taxes one for the benefit of another;

*Avoiding the
Issue.*

or the lack of pensions to the ex-soldiers, each of which may have some part, small or large, as every evil must in causing the immense evil of depreciation of price that is now upon us, upon the producers and laborers of the whole world. What are we to do? Where are we to look for redress? Have we no statesmen able to grasp the whole financial field? No man to show the way to remedy the evil? Is there no star of hope? Yes. When we have suffered more, when more of us see that all these evils are but aids, and not the main cause, then the people will rise in their might and restore to the world the old yard-stick of value, nature's yard-stick, the measure of value that has stood the test of centuries, silver and gold.

THE PEOPLE VS. THE BANKERS AND BONDHOLDERS.

BY M. J. FARRELL, OF NEVADA.

As there are many abler tongues and pens than mine in this Convention to vindicate our cause, and as it is impossible to cover the whole field in one paper, I will confine myself to a few points of this subject.

The conspiracy of the bondholders to demonetize silver was world-wide, and the points of attack were well selected. Measures to that end were simultaneously introduced in Congress and the German Parliament. In Germany it met with little opposition, as it was made to appear a measure calculated to cripple France; but in the United States they found it dangerous to meddle with the "dollar of our fathers," and were constrained to watch an opportunity to smuggle it through. This opportunity was found in the revision of the mint laws—a voluminous document which nobody read through, but which might have been read and the reader missed the point. That it was surreptitiously accomplished, and the bill passed on the assurance of certain "honorable" members that it contained no new matter, and simply codified the mint laws without in any manner changing them, is abundantly proved by the testimony of numerous members of that Congress, and by the files of the Congressional Record. President Grant, who signed the bill, Senator Conkling and others who voted for it, did not know that the silver dollar was demonetized for nearly two years afterward. All of this is familiar to the members of this Convention, and I only introduce it as pre-

liminary to the point I wish to make, that the United States is alone responsible for the decline in silver, and could have at any time within the last sixteen years, or can now, arrest that decline and restore it to its proper place, by giving it free coinage. It has been no uncommon thing for the nations of Europe in the past to change from one standard to another. It has been done many times without disturbing the financial equilibrium, and the action of Germany in 1871, in changing from the silver to the gold standard, would have caused no more trouble in the finances of Europe, or the world, than it did when she changed her standard from gold to silver in 1857, only fourteen years before, to ward off the flood of gold from California and Australia which she feared.

Here are the quotations of the average price of silver from 1841 to 1873, given by Soetbeer, the head and front of German monometalism.

- 1841 to 1850, 59 $\frac{5}{8}$ pence per ounce.
- 1851 to 1860, 61 7-16 pence per ounce.
- 1861 to 1870, 60 15-16 pence per ounce.
- 1871 to 1873, 60 pence per ounce.

It will be seen by these figures that for three years after its demonetization by Germany, the price was greater than from 1841 to 1850, when there was no disturbing element. It has also been demonstrated by Ernest Seyd, one of the economists of repute, that the fluctuations from 1841 to 1873 were caused by exchange alone. The demonetization by Germany had no effect on the market for three years, and all would have been well but for the action of the United States.

The bankers reply to this that Germany did not commence selling her silver until 1873. This is partially true. She did not rush it upon the market in quantities large enough to reduce the price. She never would have thrown it on the market as she did, depressing it and losing \$25,000,000, but for her fear of the United States.

What Caused the Decline. She would have gradually disposed of it, as the market called for it, and saved her millions, as any sane business man would have done. When the United States, which produced at that time more than half the silver of the world, and was likely to multiply her product within a few years, discarded it, it struck ter-

ror into Europe, and even the nations that had always been the staunchest friends of silver were compelled to close their mints to it.

It is utterly useless to talk of a conference of the nations to restore silver while we maintain our present attitude towards it. This, the bondholders tell us, is the only remedy, but it would accomplish nothing. The Latin Union, which has always been, and still is, the strongest friend of silver, distrusts the United States, and with good cause, as her action in the past has always been equivocal and insincere, not through any fault of our people, but of our representatives.

In 1867 a monetary conference was held in Paris, at which our delegate, Mr. Ruggles (mentored by the Chairman of the Finance Committee of the United States Senate, Mr. Sherman), was a noisy and uncompromising advocate of the gold standard. A few years later (1878)

*American
Insincerity.*

another conference was held, and the United States delegates appeared as the zealous advocates of the double standard, and, while they argued its advantages there, every banker, broker, bondholder, magazine and newspaper (with a few exceptions) from Maine to Florida, and from the Mississippi River to the Atlantic border, was howling frantically against silver and the double standard. The nations of the Latin Union drew their own conclusions, and believed the United States was trying to deceive them.

During the last administration the demand by the people for some action on this subject was so great, that it was compelled to do something, and so it sent men to Europe to investigate. It would naturally be supposed that the men selected for this mission would be fair-minded, unprejudiced men, but they were not. On the contrary, they were the bitterest gold bugs to be found, and their time was spent in trying to find reasons why silver should *not* be restored. At any time during the last sixteen years it would have been the same, and our delegates to a conference to restore silver to its old place would have been gold monometalists, for they have always had the appointing power.

As the United States was the first to seriously injure silver, she should be the first to take measures to restore

it, without waiting for the action of any other nation. Europe is waiting for her. When we have given evidence of our sincerity, by giving free coinage to silver, or fixing a time when we will do so, the Latin Union will gladly meet us in any conference for adjustment that may be necessary. But, the bankers tell us, if we give free coinage to silver we will be overwhelmed by an "avalanche" of silver from Europe. Now, where in the name of common sense is it to come from? It can't come from England, as all the silver in the world that is not consumed where produced, finds its way to that market, and from there to the Orient, from whence it never returns. They never have any silver on hand in the London market at the end of the year, in fact, are usually short of a supply. (It is proper to remark in this connection that all the silver shipped from San Francisco may be added to the receipts of the London market, as it goes to supply the same demand, and is generally governed by telegrams from London. There is now no other market for bullion in Europe but London). The present rise in the price of silver is, indeed, attributed by the bankers to the demand of England for a few millions to add to her subsidiary coin. If a call for a few millions, distributed over several years, can cause such an advance, it is evident there can be no "avalanche" there. This shows how buoyant silver is, and how little help it needs. But, they say, Europe will immediately commence melting down her coin, and "avalanching" it upon us. This is too absurd for serious consideration, but is in line with all the arguments of the monometalists.

Let us investigate. France has in the neighborhood of \$600,000,000 in silver (more than all the balance of Europe together). This is in circulation among the people, or is deposited in the Bank of France as the basis of her currency. There is no distinction between gold and silver, as with us, but all notes issued are redeemable in coin—gold or silver. She has no monetary troubles, except in insufficiency, like ourselves, and there could be no object in selling her silver money, as it answers her purpose better than gold. But supposing that her financiers, confessedly the best in the world, should be insane enough to

Europe Awaiting the United States.

The French Financiers.

attempt such a thing. Her dollars—or the amount of silver equivalent to our dollar—contain 3 per cent less than our dollar. The loss by abrasion of coin that is or has been in circulation, would amount to at least 1 per cent. The expense of gathering, handling, shipping, melting, insurance, freight, etc., would amount, at a moderate calculation, to 2 per cent. This makes a total loss of 6 per cent. Now, 6 per cent on \$600,000,000 is \$36,000,000, or in that proportion on any part of it. Is it not absurd to talk of a nation subjecting itself to such a loss as that, to get clear of a money that suits its people better than any other, and for which it could find no substitute? Besides this, whatever reason there might be for disposing of her silver now would be obviated by the remonetization of silver by the United States.

The Gresham law could not help the bankers out, as the superior metal, as they call gold, could not drive out the inferior, silver. But beaten at every point, our gold monometalist falls back upon what he calls the Hohenzollern surplus. This is, or was, about \$70,000,000

Other Foreign Countries.

of the original amount which Germany intended to sell, but withheld from sale when it began to dawn upon her that she would need it, and when she had depressed the price to a ruinous figure. This silver has nearly all been put in circulation since, \$24,000,000 going into circulation previous to 1885. The growth of the nation and expansion of business calls for more than this, and Germany is more likely to soon be in the market as a purchaser to supply her vast colonization schemes than as a seller.

The Scandinavian nations have no silver to sell, having parted with all they had to spare (\$10,000,000) when Germany had depressed the market sufficiently to afford them a respectable loss.

Austria has been buying silver since Germany commenced selling, as a basis for her circulation, and Russia would be pleased to take anybody's surplus.

Greece, Turkey and the Balkan States are not suspected of having a surplus of anything—unless it may be bandits.

Portugal has only an insufficient subsidiary coin, having demonetized silver at the same time England did.

Spain has no silver or other money to spare.

Then where, in the name of all the gods at once, is the "avalanche" to come from?

The fact is, there is no surplus of silver in the world, and never was a natural surplus. The apparent surplus made by the United States forcing Germany to throw her silver on the market in a lump, is the only instance in the world's history, and that was not the result of natural causes. But, notwithstanding all this, and notwithstanding their ruthless, relentless and dishonorable warfare that has been waged against it, silver is scarce, in view of the world's needs, to-day.

From the foregoing, and scores of other arguments that want of space forbid the introduction of, the following facts are apparent.

A Few Emphasized Facts.

That the United States is responsible for the decline in silver.

That there is no surplus of silver.

That the United States can restore silver by giving it free coinage.

That our annual contribution to the London market is the prime cause of the continued depression of silver.

That if we coin all our silver and thus deprive the London market of its supply for India and China, the price will at once advance.

That if the United States will give silver free coinage, the Latin Union will soon open its mints to it, and increase the upward tendency.

If Sherman and his successors had coined \$4,000,000 per month instead of \$2,000,000 (and, by the way, he sent to Europe for part of that in order to depress the price on the miner), two years would have sent silver back to par, or a premium, with a coinage of less than \$100,000,000, and there would have been no complaint about the "enormous expense" of vaults to hold it.

This course would have withheld from the London market \$15,000,000 to \$20,000,000 per year, established confidence, and opened the mints of the Latin Union to it. The coinage of \$4,000,000 per month even now would have the same effect in about the same time, but free coinage would do it sooner. The moral effect of the latter would give immediate impetus to the price of bullion in spite of all the obstacles that would undoubtedly be thrown in the way by the monometalists.

There is nothing in the way of free coinage but the banker and bondholder. They are but a small portion of the people, and, knowing their methods, we should be able now to cope with them. These plutocrats, by the demonetization of silver, have literally robbed the world of thousands of millions of dollars. They have been allowed to shape the financial legislation for the past twenty years, and have done it in their own interests, regardless of the privations it has inflicted on the people. It seems to have been conceded by every one that it was necessary to have a banker as Secretary of the Treasury, and in every other financial position. That because they deal in money they must be financiers. But there is no more reason why the average banker should be a financier, in the broad, national sense, than that the man you buy your coal of should be a geologist. All, or nearly all, our Treasurers, and their deputies, have been bankers, and if, by any oversight a man has been appointed to a position in the Treasury who was not a banker, after learning the methods of that institution he has hastened to get out, and get into a United States bank. A few years ago these patriotic, liberal-minded citizens, the bankers, employed the best legal talent in the country to compel the Government to call in the "greenbacks" in order to make room for more bank notes. Their plea was that the "greenback" was a war measure, and, the war being over, they were illegal. They overlooked the fact that the United States banks were also a war measure, and, according to their own logic, illegal.

Let us make no mistake. The bankers are the visible and tangible part of the power we have to contend with.

The Bankers and Bondholder. To restrict the volume of money is to rob the people, and that is exactly what they have done. The demonetization of silver has cost the people of the United States over a thousand million dollars in the payment of the national debt and interest on it, and the robbery still goes on. We are paying a tribute to these cormorants equivalent to the discount on silver. It has been shown by Senators Jones and Stewart and others that, although we have paid one-half of the national debt, it will take more cotton, wheat, iron, or other commodity, to pay the remainder than it would have taken to pay the

whole when the war was ended. That is, the demonetization of silver has enhanced the value of money and depressed the price of commodities to that extent. The national finances must be wrested from the hands of the bankers. Pulverize the national banks and you solve the financial problem. If silver is given free coinage, its notes will take the place of the bank note, furnish a better currency, and save to the people, among other things, the \$12,000,000 per year we have been paying the banks to furnish us their notes for currency.

The mass of the people in the East know very little of the "true inwardness" of this subject, and, as Josh Billings would say, much of what they do know isn't so. They are not to blame for this, as their only source of information, the public press, has been for the most part under the control of the bankers, and Ananias was a novice compared with some of these. The common reader, in his bewilderment, comes to believe after a time, that this is a contest between the silver miner and the banker, in which he has no interest. But the farmer and laborer, the cotton planter and the merchant, the manufacturer and the professional man of the East and West, are just as much interested as the miner. Directly or indirectly all classes pay tribute to the banker and money lender.

Misinformation in the East.

It was not until after the demonetization of silver by the United States that any attempt was made to raise wheat in India. There was no money in it as long as silver was at par. The first shipment was made in 1874, and amounted to 95,000 bushels, from which it has risen to nearly 50,000,000, while our shipments have declined in the same time from about 100,000,000 to less than 50,000,000 bushels. It is not necessary that India should raise enough to supply the whole demand of Europe (although she could do it); sufficient to prevent the advance of the price beyond the cost of production is enough to ruin the American farmer. This it does, and not only fixes the price and shuts off part of that market, but fixes the price in the home market. This applies with just as much force, in proportion to the amount produced, to cotton, hemp, rice, corn, wool, hides, linseed, rape seed, mustard seed, peanuts, and numerous other products, as it does to wheat.

It may be urged that a reduction in price is a benefit to the consumer, but this does not follow. The cause that produces this state of things lessens, and, because it lessens prices, reduces the volume of money and makes it scarce in proportion to that reduction. Low prices are no advantage to the man without money.

*Low Prices
and No
Money.*

If the farmer can't sell his crop at living prices, he raises less, employs less men, buys less merchandise and machinery. He ships less wheat, cotton, etc., and thus the railroads suffer. They in turn stop building extensions, buy or build less machinery, discharge their employes and reduce expenses in every way. Hundreds of thousands of men are thrown out of employment and come in competition with laborers in already overcrowded occupations, and reduce the price of labor, and chances of employment. This affects the merchant, manufacturer and professional man. If people have no money or employment, they can't buy or pay. Whatever injures one, injures all. Now, this state of things is produced by the competition with the pauper labor of India, and is only possible under a restricted use of silver. Restore silver to its old place, and India cannot compete with us in any market. As the matter now stands, India has about 33 per cent the advantage of us, and this bonus we are voluntarily giving here by limiting the use of silver as currency. Was ever such idiocy, such midsummer madness, known before in the history of the world?

Divested of the terms and technicalities of exchange, the case stands thus: The wheat, cotton or other operator in London buys our silver at 30 per cent discount. He sends it to the mint in India and has it coined, without charge, into rupees, every dollar's worth of which contains 3 cents less silver than our dollar, thus adding 3 per cent to his 30 per cent. In other words, our dollar costs him 66 cents and has the full purchasing power of a dollar. With this dollar (or its equivalent in rupees), he buys a dollar's worth of wheat, cotton or any other product and ships it to London or any other product and ships it to London or any part of Europe. To make the matter worse, the purchasing power of the rupee has increased of late years, which

*An Indian
Illustration.*

shows, by the way, that there is no surplus of silver in India. Of course, having bought his commodity 33 per cent cheaper than the American shipper, he can dictate prices, and undersell him—drive him out of the market if he wishes it.

The cure for all this, and many other ills, is the free coinage of silver.

So far I have said nothing about the miner. Although the injury to him is more direct and appreciable, his wrongs are small in the aggregate, as his numbers are small in comparison with the people of the East and middle West. The miner, too, is less circumscribed by circumstances.

*The Miner, His
Position, Sur-
roundings, Etc.*

When the value of his product is depressed below the living point, being in a new country, he can generally turn his attention to something else, raise his living from the soil, for instance, and deprive the farmer of that much more. But there is no escape for the farmer. He must stand or fall by his farm. But the miner is woefully wronged and deliberately robbed by legal process, nevertheless. The Government has taken from him, in about eleven years, over \$300,000,000 for which it has paid him about \$240,000,000. That is to say, the Government has made out of the miner about \$60,000,000 in about eleven years. It has been the effort of the bankers' press of the East to prejudice the people against the miner. But there is, and can be, no antagonism between the miner and the farmer, laborer, merchant or manufacturer. On the contrary, the miner is their best friend. His business is to add to the volume of money, which benefits all. Producing nothing but the precious metals, he buys the wheat of the farmer in Minnesota, the corn of the farmer in Kansas and Kentucky (whether in the original grain or the liquid form), the goods of the merchant, the machinery of the manufacturer, and pays them a good price without quibbling or grumbling. He furnishes the East with a good market, and pays for it with new money. He deserves better treatment from all sides than he receives. He is the pioneer of the world. He braves all dangers and opens up the wilderness for the more timid. He occupies the waste places of the earth which but for him would never benefit mankind. He endures the hardships and privations

unknown to others, and after wearing out his life for the benefit of mankind, in the vast majority of cases, dies poor. His occupation clashes with none, and with none does he come in competition. Unlike that of others, his contribution to the world's wealth is practically imperishable, and the dollar that comes from his hand is not corroded with the tears of the oppressed—is not that transferred from one to another of the money already in existence, and only procurable by some one's loss. It is a dollar bright and new, wrested from the bowels of the earth, in the fastnesses of nature, and added to the world's treasure. He sends forth from the desert places of the earth, where only the daring venture, a stream of uncontaminated wealth, which flows through all the arteries of trade and commerce, imparting life and vigor to business of the world, and giving bread to earth's toiling millions to its remotest confines.

Contrast this figure with the money lender, who sits behind his mahogany counter concocting schemes to levy tribute on poverty's earnings.

But to return. We should do now what the bankers did at first; organize, raise money, and carry the war into Africa. If we do this we are sure of victory. The time is ripe for it.

*Necessity for
Organization.*

The yoke of the bondholder has become too heavy, and the people begin to see what hurts them. We want more money to transact the business of the country, and the legitimate way to get it is to remonetize silver. The quibbles of politicians must cease. No man must receive the report of the bi-metalist that is not sound on this question. No man must occupy the Speaker's chair in the coming Congress that has the faintest taint of monometalism. Put none but bi-metalists on guard. When I say bi-metalists, I do not include the man who wants to put more silver in the dollar, or limit the coinage. Nor do I mean the man who advocates the issue of certificates based on bullion in the Treasury. All of these are delusions and snares of the enemy. Silver bullion in the Treasury is at the mercy of the Treasurer, and, at any time since 1878 if the London market needed it, the Treasurer would have found means to supply it and prevented any appreciation of the price.

The "silver gavel" will resound in the next National Convention, and the subject will not be waved aside as a thing of minor importance. Politicians and aspirants to office have felt the influence of this subject in the past, without knowing what hurt them. It has been the ogre that stood in the paths of many, and when the handwriting on the wall is interpreted, it will be found to read: "Free and unlimited coinage for silver."

THE UNITED STATES AS A SILVER DUMPING GROUND.

BY GEN. THOMAS JORDAN, OF NEW YORK.

Accepting the task assigned me on this occasion, as a compliment of which I have a very high sense, in view of the distinguished gentlemen to whom similar duties have been delegated, I shall promise that my subject is at the very root of bi-metalism: for, if the opening of the mints of the United States to the “free,” unrestricted coinage of silver, is to result in the influx upon this country of the larger part of the coined silver of the commercial world, exclusive of India, it might possibly be a dangerous monetary expedient for our people, notwithstanding that they cover an area of 2,949,474 square miles, or 25 degrees of latitude with more than 50 degrees of longitude, and number 65,000,000,000 of souls with an increase, at the present rate, of 1,750,000 every year, and notwithstanding, also, the indisputable fact that, in France, coupled with so large a gold circulation as nearly \$23 for every man, woman and child in that Republic, there is also a full-tender silver circulation of \$15.33 per head, further supplemented by a legal-tender paper circulation of more than \$600,000,000 at this time, or the unequaled aggregate of monetary appliances of \$55 per head, under which that country has attained an unexampled condition of industrial thrift, amply attested by such facts as that nearly a fourth of the French people are land owners residing on their own estates; that France, with an area of less than 205,000 square miles, is only second to the United States in the production of wheat, of which breadstuff it produces annually 21.15 per cent of all that is grown in Europe, including Russia, at the same time, with a fraction more than 22 per cent of all the beet

*Dumping
Ground
Fears.*

sugar produced abroad—not to speak of the exceptionally large wine and brandy products of the French people.*

But here, in the outset, let us understand distinctly what is meant by free coinage, as the phrase is generally used. The coinage of either silver or gold at the expense of the Government is not, by any means, an essentiality of bi-metalism, but their unlimited, unrestricted

*Definition of
Free Coinage.*

circulation at a fixed ratio of value is. Gratuitous coinage, that is, without seigniorage charges, is a comparatively modern thing; and even as yet so high a seigniorage as 2 per cent upon the coinage value of the bullion minted is exacted in British India where there is certainly an unrestricted coinage of silver. Moreover, even in Germany, the *coinage of gold bullion for private account is made at the cost of the owner of that bullion*, including, also, a tax on the amount coined that goes to the Treasury. It appears to me, however, that for the purposes of this discussion, the more precisely descriptive or opposite phrase would be, the unrestricted coinage of silver at our mints; thus leaving the question of charges in abeyance for subsequent discussion. Therefore, let us understand that what is to be here considered and discussed is whether or not the unrestricted coinage by the mints of the United States, within their mechanical capacity, of silver concurrently with gold, into the legal-tender money for the bullion owner, would subject the country to the risk or peril of being overwhelmed with the major part of all the silver in the world?

It is now to be first ascertained, approximately, what are

* At this time, the people of the United States have a gold circulation not exceeding \$10.50 per head including \$64,554,236 of bullion in the Treasury November 1, 1889, which also represents fully $52\frac{1}{2}$ per cent of the gold certificates reported as outstanding. The legal-tender silver circulation amounts to not more than \$5 coupled with \$1.17 per head of subsidiary silver, giving a per capita metallic currency of less than \$17. At the same time, our paper circulation of all species does not aggregate as much as \$14.75 per head, and our total per capita money appliances is less than \$32, or \$23 less than that enjoyed by the people of France. And hence we may readily coin legal-tender silver at the rate of \$5,000,000 per month, or \$60,000,000 every year for the next ten years, and yet at the end of that time on the 31st of December, 1899, there would not be a per capita silver circulation to exceed \$11.50, or \$3.83 per head less than now exists in France.

the present metallic monetary resources of the commercial world; and in this connection, I shall accept the figures of those who are recognized by monometalists themselves, as their own high priests. That is, I shall go to the official report of Mr. Edward Atkinson, to name whom is to name an ultra opponent of the concurrent use of silver with gold in the currency of the United States, under any and all circumstances; a report conceived, prepared and put forth in the interest of monometalism, that was transmitted to Congress with a special certification, on the part of the Secretary of the State, Mr. Bayard, as to the high authority of Messrs. Soetbeer and Atkinson on all economic questions. Now, according to Soetbeer, introduced by Atkinson, the total stock of silver money available to the commercial world, outside of British India and the Asiatic States, at the close of 1885, was:

Gold.....	..\$3,180,632,000
Silver.....	1,866,634,000
	<hr/>
Total of gold and silver.....	\$5,047,266 000

This volume of specie was thus distributed among the several States:

BI-METALLIC COUNTRIES.

	Gold.	Silver.
Latin Union.....	\$998,410,000	\$761,496,000
United States.....	586,432,000	307,496,000
Netherlands and Austria.....	57,120,000	212,082,000
Germany.....	415,072,000	212,296,000
Russia.....	183,260,000	66,640,000
Spain and bi-metallic States in Europe and America.....	222,708,000	238,000,000
	<hr/>	<hr/>
Total.....	\$2,463,002,000	\$1,738,114,000

MONO-METALLIC COUNTRIES.

Great Britain.....	\$528,360,000	\$102,816,000
British Colonies.....	161,840,000	15,708,000
Scandinavian States, Portugal, etc..	27,370,000	9,996,000
	<hr/>	<hr/>
Total.....	\$717,570,000	128,520,000
	<hr/>	<hr/>
Total bi-metallic and mono-metallic countries*.....	\$3,180,632,000	\$1,866 634,000

*See page 570, document 87, of the State Department, 1887.

Of course, since 1885, there has been some increase in this stock of metallic money, but in no wise commensurately with the increased trade business and commerce of the world, as may be shown.* The output of gold for the three subsequent years has indeed aggregated \$306,081,837, and that of silver \$338,179,860, while the coinage of the two metals has amounted to \$354,355,174 of gold, with \$438,002,910 of silver. But these figures do not measure the increase of the metallic currency, meanwhile. As for gold, its consumption in the industrial arts has certainly averaged as high as \$60,000,000 yearly; British India, as from time immemorial, has also absorbed as large a quota as at least \$37,000,000 during the three years. Hence, the total abstraction of gold from the sphere of money was fully \$217,000,000 of the gold product, leaving at the most, \$89,100,000, or only 29 $\frac{3}{8}$ per cent of the whole output, for the three years to be added to the money stock of the world.

With regard to silver, assuming that the products of the mines were as large for the three years in question as reported by our Mint Bureau, or of the coining value of \$338,180,000, coupled with a coinage aggregating \$438,002,910 of that amount of silver, at a moderate estimate, fully \$110,000,000 was consumed in the industrial arts. Moreover, British India imported fully \$136,000,000 of the amount, while China, the Straits settlements and other silver-consuming

*It may serve to give some idea of the expansion of the business of the commercial world as compared with the product of the money metals, if we bear in mind that the balance of trade against France for the five years ended with 1885—that is, the excess of imports over exports of merchandise amounted \$1,119,410,200, or \$613,161,627 more than the total gold product of the earth (\$506,161,627) for the same half decade and, moreover, \$40,035,319 more than the output both of gold and silver for the same five years. The duties paid here in the United States on the one article of imported sugar alone for the five years ended with 1888, aggregated \$245,806,713, or equal to 48 $\frac{1}{8}$ per cent of all the gold produced during the same period, while the total duties collected on foreign merchandise in the United States for the half decade amounted to \$997,009,451, or \$487,100,000 more than the value of all the gold won from the earth, and within \$250,000,000 of the coining value both of the silver and gold produced for the same period.

Asiatic countries abstracted fully \$45,000,000 more. Hence, unquestionably fully \$290,180,000, or 75 per cent, were either diverted to industrial uses or permanently absorbed by British India and other Asiatic countries, Therefore, we may estimate the present metallic money stock in round numbers as follows:

		Per Cent.
Gold.....	\$3,282,500,000	61 $\frac{1}{8}$
Silver.....	1,967,500,000	38 $\frac{7}{8}$
	\$5,250,000,000	100

This being the maximum estimate of the present specie basis of the monetary appliances of Europe and America, I may pertinently pause an instant to ask attention to the undeniable fact shown in Soetbeer's table—that of the sum of gold (\$3,180,632,000) which is there assigned to the commercial world, outside of Asia, no less than \$2,463,062,000, or 77 $\frac{3}{8}$ per cent., is to be found in those countries

Gold in Bi-metallic Countries. which use the two metals concurrently in the daily domestic business transactions and trade of the people one with another, and where, moreover, as I shall next show, silver is co-equally recognized and largely used with gold as the specie basis of the paper or credit money of the people, thus placing the monetary system of these countries, as Wellington, the great soldier statesman, said so felicitously, upon "two legs instead of one." As it may be further noted, bi-metalism, as it exists in France to-day, was, virtually, established there in 1803, while Napoleon—no less great as a statesman and economist than as a soldier—was supreme as First Consul for life; and, undoubtedly, it was an economic provision of his own devising. But be this as it may, to what extent the gold and silver of Europe are now employed as the specie basis or reserve of the great banks at the commercial centres of Europe, is to be seen in the following table, which is certainly opportune and pregnant in this discussion:

	Gold.	Silver.	Paper.
Bank of France.....	\$258,265,000	\$250,835,000	\$608,380,000
Imperial Bank of Germany.	140,635,000	70,315,000	264,170,000
Bank of Russia.....	150,000,000	15,000,000	510,000,000
Austro-Hungarian Bank...	27,190,000	80,160,000	229,910,000
Netherlands Bank.....	26,430,000	27,715,000	91,440,000
Bank of Spain.....	15,663,000	23,160,000	145,000,000
Italian Banks.....	30,000,000	6,500,000	*192,500,000
Bank of Belgium.....	12,500,000	6,465,000	74,240,000
Swiss Banks of Issue.....	9,500,000	3,400,000	22,860,000

Total specie bank reserve
in bi-metallic countries. \$670,183,000 \$485,550,000 \$2,138,800,000

	Gold.	Paper.
Bank of England.....	\$100,000,000	\$175,000,000
Bank of Scotland (gold and silver).	20,950,000	27,590,000
Banks (6) of Ireland	“ 14,875,000	32,575,000
Australian Banks	“ 68,500,000	28,500,000
Bank of Portugal	“ 6,325,000	6,500,000

Total specie in monometallic
countries..... \$210,650,000 \$272,165,000

Total specie bank reserve in Europe
and paper circulation..... \$880,833,000 \$2,313,625,000

The immediate connection with the subject in hand, of the several tables and the array of statistics which have now been laid before you, may not be apparent to all at the first glance, and yet I am mistaken egregiously if they are not so vital as to be decisive, for they show precisely:

What the Statistics Show.

1. The whole metallic stock of money available to the commercial world outside of Asia, and that silver constitutes at present fully 37 per cent of that supply.

2. That the “preponderant use” of the gold and silver output of the earth during the present epoch has been and is a “non-monetary use.” And it is here to be added that this fact has recently been adduced by one of the leading monometallic writers of Europe, Mr. Robert Giffen, as if it were a discovery of his own, whereas, I pointed it out fully ten years ago, and have dwelt upon it repeatedly, as affording proof that gold is going steadily out of the sphere of money, and to such extent that it has become absolutely preposterous to talk of the practicability of a single gold monetary standard for the fast growing commerce and business of the commercial world, excluding Asia.

*Exclusive of government paper to amount of \$58,880,000, making the total Italian circulation \$251,380,000.

3. That, exclusive of the United States, no less than \$1,552,500,000 in silver is actively and incessantly employed chiefly in the thriftiest of the States of *The Thrifty States of Continental Europe.* Continental Europe, such as France, Italy, Belgium and the Netherlands as well as Spain, and Austria-Hungary in the daily retail business of the people, including the payment of labor. And it is here to be added that this large volume of silver money circulates at a valuation coined at which the silver in our 340,000,000 standard dollars would give our people \$350,400,000—or \$16,400,000 more than the value which has been given it at our mints, under the coinage law of 1873, or under the Benton law of 1837.

4. Moreover, in the States of Europe, together with the British Colonies outside of India, and including the military chests of Russia and Germany, the stock of metallic money, according to Soetbeer, does not exceed:

Gold.....	\$2,570,000,000
Silver (limited tender included).....	1,560,000,000

Total\$4,130,000,000

But this sum of specie, of which, be it noted, 37 $\frac{7}{8}$ per cent is silver money held at a legal-tender value coined at which the silver in our dollar would be worth 103 cents, each and every one of them, nevertheless, is evidently so short of the monetary necessities of the epoch for the people in question, that they have been obliged to eke it out, as we have seen, by the provision of a paper circulation amounting to no less than \$2,313,625,000, of which France, notwithstanding her exceptional stock of gold and silver, possesses nearly 26 per cent, based on a specie reserve as follows:

Gold.....	\$880,833,000
Silver.....	500,167,000

Total\$1,381,000,000

That is to say, there is an aggregate European paper circulation in excess of the entire specie reserve (or uncovered by that reserve) to the extent of \$924,625,000, or nearly 40 per cent of the whole amount, including Russia, of 39 $\frac{3}{8}$ per cent exclusive of Russia, and of 38 $\frac{3}{8}$ per cent,

exclusive of Russia and Austro-Hungary. Moreover, while at least \$690,000,000, in the aggregate, of silver is actively employed as money on the Continent of Europe, in the daily retail transaction of the people in such countries as France, Belgium, Holland, Germany, Italy, Switzerland and Spain, a further large amount furnishes satisfactorily about 48 per cent of the specie basis of a paper circulation aggregating fully \$1,400,000,000 and without doubt or question of its stability, at a valuation for every dollar coined at which the $412\frac{1}{2}$ grains of standard silver in our Bland-Allison dollar would be worth more than 103 cents.

Such are facts in the current monetary history of our epoch that only the incorrigible doctrinaire or the sciolist will question, and they surely supply squarely and logically a negative answer to the question, whether the opening of our mints to the unrestricted coinage of silver bullion would lead to the exportation to our shores of any material part of the silver employed abroad thus actively and widely as money, to be recoined here, every ounce of it at a valuation, I repeat, 3.06 per cent lower than that at which it now is essentially as acceptably discharges the chief or paramount functions of money at home.

Descending from the general to the special, I may properly take France for an example; France, with a generally admitted volume of five franc silver pieces of not less than \$575,000,000, or more than \$14 per head of her population, and of which amount the Bank of France holds at this time not less than \$250,500,000 constituting more than 48 per cent of the specie basis of its paper circulation which aggregates above \$600,000,000, or \$15 per head of the population. Landed on these shores to the last five franc piece, and when reduced to standard bullion, that is, bullion 9-10 fine, and found to contain precisely the same weight of silver that these same pieces contained when they were fledged from the mints from twenty to thirty odd years ago, there would be a shrinkage in recoinage into our dollar of no less than \$17,595,000. However, there is such an element in this problem as *loss by abrasion*; moreover, the wastage in smelting the coin into bullion is yet another

*Value of the
American
Dollar.*

*No Danger of a
Dump.*

*France as an
Example.*

deperdition, and the loss from these two causes alone would not be less than about \$9,405,000, or not less than $1\frac{3}{4}$ per cent * swelling the shrinkage to \$27,000,000, exclusive of the cost of reduction to bullion of such a body of coined money. Next is to be added the cost of transportation from France via New York to our mints, whether at Philadelphia or New Orleans, insurance, commission and interest during the period this exportation and conversion of

French money into that of the United States, may be going on; and it were not extravagant to estimate this last group of expenses at 4.19 per cent, or a total cost of at least 9 per cent, or \$51,750,000, or even as high as \$57,000,000. But does any one outside of a hospital for imbeciles, believe such a wholesale transfer of silver from Europe to this country would occur without causing the price of gold exchange here to appreciate so considerably above par as to further materially enhance the cost of so insensate an attempt on the part of the French people to imitate the course of Germany in 1873-78, and upon so much larger a scale. Only by paying a heavy premium could the owners of the silver dollars coined out of this French silver (thrown here abnormally or non-commercially merely for mintage) exchange them for gold on this side of the water. On the other hand, if the owners of the dollars produced from the conversion of this silver, should seek to purchase the products of our fields and factories with them—in that event, the increased demand thus inevitably created would

so sensibly enhance the market price of each article embraced by this demand, as to be nearly equivalent to the *agio* on gold before mentioned. There is, however, not a page in French monetary history that justifies the supposition that that people have not the financial perspicacity and the economic clairvoyance to see and fully understand what it would cost them to essay such an exportation of specie money as that of their silver five franc pieces; or a riddance that must virtually lessen their specie fully 40 per cent together with a like decrease of their paper circulation

*See page 503, Document 87, State Department Washington, 1887, wherein this abrasion, etc., is set down as not quiet 2 per cent of the present annual output per year.

after its specie basis shall have been curtailed to that amount. And as with French silver, so it would be, of course, with that of the Netherlands, whose stock of silver money is estimated by Soetbeer at \$64,002,000, and which, therefore, if coined into our money, would not yield more than \$60,000,000.

Germany's thaler silver, current over there to about \$100,000,000, transferred into our money would not exceed \$95,000,000, and so on through the whole roll of silver-using countries across the Atlantic. The

*Germany's
Supply of
Thalers.*

transmutation, however, of their silver into standard dollars, were it to occur, in the first place, would be attended with a shrinkage—by recoinage alone—of at least 4.80 per cent and thus wipe away irrevocably fully \$48,000,000 from the specie of the commercial world, an altogether inadequate supply already for the daily commerce and trade of the world, while the deportation of this trans-Atlantic silver to our side of the water would be attended by the further loss to those for whose account it were accomplished, of at least 4.20 per cent of its former value as money—or in round numbers \$42,000,000, thus making a net result of loss to the former owners of this discarded silver—of which fully \$470,000,000 had been and was doing duty at the time of ejection as effectively as a similar amount of gold as the specie basis (47½ per cent) of the paper money to the amount of \$773,680,000—including, of course, as is proper, its quota of “uncovered” paper money. As for the balance of the silver in question, let us bear in mind that to-day, it constitutes the legal-tender metallic money either solely or to a material extent, concurrently with gold, throughout the commercial world except in the United Kingdom, her Australian Colonies, and four petty European States, the population of all of which countries does not reach 60,000,000 souls, at a valuation 3 per cent higher than here in the United States.

*Silver One of
the Two Legs.*

Thus silver consorted congenially with gold has served as one of the two legs which upheld so sturdily and safely the French people through a period of financial stress and pressure, unexampled in history, and unexampled, also, in the ease with which that people relieved themselves from it, and emerged possessed of more money than any other on the

earth, while being the one people of all others who have approached more closely to bi-metalism and so signally illustrated the elasticity of the bi-metallic monetary system as compared with that of monometalism.*

But if, notwithstanding the foregoing demonstration of the heavy loss that must attend the exportation to this country of a material part of the silver money of Europe, in the event our mints were opened to the unrestricted coinage of the metal, there should still exist as a consequence, any apprehension of a silver overflow, that apprehension must certainly "be shook in air" by the indubitable fact that ever since 1873, the mints of British India have been kept wide open to the unlimited coinage of silver with a materially larger *output of money* than that which would result from the shipment of the same weight of silver, say from the States of the Latin Union to the United States, and its recoinage here, were our mints opened similarly to those of India. For in India the silver in question would be recoined at the same valuation in *rupees* that it holds as five franc-pieces, florins, or thalers in Europe, and hence it would escape the shrinkage of 3.06 per cent that is involved in the conversion of either of those coins into *standard dollars*; a shrinkage certainly not counterbalanced by the seigniorage charge of 2 per cent at the India mints. And yet, assuredly, the silver of Europe has not been deported thither in the manner it is claimed must inevitably happen were our mints once opened in the like manner for the unrestricted recoinage here of such foreign metallic money.

As for the demand for silver in the quarter of India, there can be no dispute or question—or no denial of the gaping vortex that has existed, and still exists there, created by the immense *yearly balance of trade* in favor of the people of British India; a balance of trade which amounted to no less than \$800,230,000 during the five years ended with 1887, and to \$845,708,443 for the preceding five years; or no less than \$1,645,938,443 for the decade ended with 1887, counterbalanced by only \$300,600,000 net

*The area of France is about the same as that of Illinois, Indiana, Michigan and Wisconsin.

imports of gold and silver for the last half decade, with but \$182,474,000 for the first half, or \$485,474,000 at most, for the entire ten years; leaving an unsettled balance of at least \$1,160,000,000 for a period during which the whole silver output of the world, estimated at its coinage value, did not exceed \$1,040,000,000.

This balance has accrued, be it noted, from the exportation of wheat and cotton, teas and coffee, jute and indigo and other Indian staples, in excess of imported merchandise; staples the purchase of which might have been effected with Euro-

*The Balance
Accounted For.*

pean silver exported to India and there recoinage into rupees at a seigniorage charge of 2 per cent. Moreover, notwithstanding all the losses from deperdition, by abrasion and bullionization, as a part of the transaction, there would still have been left a fair profit, as can be demonstrated. That is to say, the silver money of Continental Europe might have been deported to India and there exchanged for Indian staples in this manner without loss, had the people been minded (much less urged) to part with it! In fine, these are my altogether sufficient grounds, as I submit, for denying that in the event the mints of the United States were opened to their highest present capacity, to coin full-tender

*No Fear of a
Surplus of
Silver.*

dollars of $412\frac{1}{2}$ grains of standard silver, it would or could result in making this country the dumping ground of the coined silver of the world for recoinage to a greater degree than the business of 65,000,000 of souls could readily absorb; and absorb, moreover, with downright advantage similar to that which happened to the commercial world during the third quarter of our century by the addition (during a period of twenty-five years) of gold from the mines of California, Australia and Russia to the grand aggregate extent of fully \$3,250,000,000—or materially more than had been won from the whole earth in three centuries previously.

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PREFACE.

The Executive Committee, from the time the call for the Convention was issued to the time it was called to order, received a great many letters from all parts of the country. In order that a better idea may be formed as to the national interest manifested in the question under consideration, a number of these letters are given.

They come, it must be understood, from gentlemen earnestly enlisted in the common cause of which the silver question is the foundation, and were, to a large extent, inspired simply by the call issued by the Committee.

In this connection it may also be well to state that the letters presented are but a small portion of those received, the bulk of the preliminary mail of the Convention having been buried under a mass of debris from the building occupied by Kohn & Co., where the office of the Secretary was located. The letters destroyed include strong ones from Senator Vest, W. P. St. John, Ivan C. Michels, and many others.

PREFACE.

The Executive Committee, from the date the call for the Convention was issued to the time it was called to order, received a great many queries from all parts of the country. It is to be regretted that a paper this large could not be forwarded to the general meeting mentioned in the question under consideration. A number of them follow in this page.

They were, it must be understood, from gentlemen who were called to the common sense of which the above question is the foundation, and were, to a large extent, in general reply to the call issued by the Committee.

In this connection it may also be well to state that the letters presented and put a small portion of those received, the title of the proposition will be the Convention being held under a name of which some of the leading members of the Convention were the officers of the Society was located. The letters deposited include strong ones from Messrs Van W. E. Van John, Geo. C. Shiloh, and many others.

PRELIMINARY EXPRESSIONS.

EXECUTIVE COMMITTEE CORRESPONDENCE.

From HON. R. P. BLAND, Missouri.—I am glad to know that the people of St. Louis propose holding a Convention for the purpose of discussing the silver question, and to take measures to forward the interest of silver coinage and the general use of silver as a money metal. My acquaintance with persons who take an interest in this matter has been principally confined to members of Congress. I would suggest to you the name of A. J. Warner, of Marietta, O. He is an ex-member of Congress. Mr. Warner is well posted. Also Wm. H. Springer, of Springfield, Ill., and our own members and members of Congress generally from the West and Southwest. I shall be pleased to aid you in any manner I can.

* * *

From HON. R. S. POST, Galesburg, Ill.—I fear I will not be able to attend the Convention. For its consideration I make the following suggestions:

1. That the United States mints be authorized to receive gold or silver bullion, the product of mines in the United States, and to issue a receipt for the value of the same according to the amount of gold or silver dollars into which the bullion can be coined.

2. That the Secretary of the Treasury be authorized to make the necessary regulations for ascertaining whether the bullion is the product of American mines.

3. That the Secretary of the Treasury be authorized to

redeem the mint certificates by issuing gold and silver certificates of the usual denominations.

4. This would put it out of the power of Europe to fix the price and depreciate the value of this important product. The price would then be fixed by the United States coinage laws. If other countries want our silver they will pay the price; if they do not want it, we do; and we want it in circulation in the form of silver certificates.

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* * *

From J. B. McCURDY, Spring City, Nev.—It is with sincere regret that I am unable to be with you, but my heart will be in your midst. The unjust discrimination against one of the most extensive industries in our glorious nation, an industry which is felt in every artery of commerce, manufacture and labor, an industry that affects all things made and produced, an industry that enriches the world without a shadow of competition, and which has been proscribed simply to make the rich richer and the poor poorer, calls us to duty. The rapid contraction of national money and the limited coinage of silver, together with our largely increasing population and business, must in the very near future produce disastrous results. Your laudable movement is in the right direction and in the interest of the masses. It will show to the world the infamous designs and unjust legislation of the single standard advocates; it will cause the masses to think and investigate the cause of hard times, scarcity of employment and limited amount of money per capita, and which is being further reduced by unconstitutional legislation.

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* * *

From JOHN McDONNELL, Salmon City, Idaho.—We are much pleased to learn that a Silver Convention is contemplated. The people here are one on this subject. Upon the restoration of silver to its old place depends the future welfare of this mountain country.

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* * *

From OTTO MEARS, Silverton, Col.—This silver question is certainly of great importance to the entire country.

You shall have my hearty co-operation, and all in my power shall be done to forward the interest of silver coinage and the general use of silver as a money metal.

* * *

From JOHN G. PRATHER, St. Louis.—It is certainly a most worthy object, and meets with my hearty approbation and co-operation.

* * *

From EDWARDS PIERREPONT, New York City.—Our silver friends will fail before Congress if they do not concentrate upon a plan. No greater wrong was ever attempted upon a generous people than the bill of February 12, 1873. It was a crime. Gold and silver ought to be treated alike. It is amusing to see how English financiers rule us. A little common sense would put the bankers on our side. Instead of Government bonds, establish silver certificates as a basis, and let the banks issue as many gold or silver certificates as they wish, so they get them honestly.

* * *

From JAMES H. PLATT, Denver, Col.—I sympathize fully with the purpose and object of the Convention, and will take pleasure in doing anything in my power to promote its success.

* * *

From R. W. RUTER, Pensacola, Fla.—To be accredited a member of and delegate-at-large for the State of Florida is an honor I least expected, and one which I shall prize above my chief joy, as from my standpoint I esteem it a most important Convention, before which very great questions, not yet conceived, will come up. Sickness alone will prevent my attendance.

* * *

From SAMUEL V. NEWALL, Central City, Col.—I am heartily in sympathy with the silver interests of the country, and believe the St. Louis Convention will exert a great and widespread influence in favor of the free and unlimited

coinage of the white metal. Nothing would give me more pleasure than to attend the Convention, but under the circumstances it is utterly impossible.

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* *

From G. W. STAPLETON, Butte, Mont.—I feel great interest in the subject of silver coinage, and, in fact, I believe there is no question of such vast importance to the Western States and all parts of the United States, outside of Wall Street, New York. The idea of a Convention agitation is an excellent one, and will insure success if work is done.

*
* *

From HON. A. J. STREETER, New Windsor, Ill.—I am in full sympathy with the call and its object, and will gladly aid in the movement. As a farmer of more than fifty years' experience I never saw the farming industry so depressed as it is now. In short, farming has ceased to be a paying business. Believing, as I do, that these unnatural conditions are to a large extent the result of class laws, enacted in the interest of the creditor and money-lending classes, and intended to make money dearer, and at the same time make labor and its products cheaper, I would not be true to my own interest if I did not favor this move to induce Congress to put more money into circulation, by making the coinage of silver as free as that of gold.

*
* *

From Gov. C. C. STEVENSON, of Nevada.—I trust this meeting will inaugurate an inquiry among the people of the country as to unlimited free coinage, and the injustice of the act relating to mints for the coinage of silver. Let the people ask their Representatives in Congress to so amend the law that our mints shall show no favor to either gold or silver. Let the good work go on until free coinage is secured for silver, and these United States, with sixty millions of people, adopts a currency independent of any foreign power.

*
* *

From GEO. M. THOMAS, Acting Governor of New Mexico.—My official duties make it very uncertain whether

I shall be able to leave the Territory at the time of the Convention. In any case, I wish the Convention perfect success.

* * *

From Gov. JOHN M. THAYER, of Nebraska.—I trust the deliberations and actions of the Convention will conduce largely to an increased coinage of silver.

* * *

From A. TRABING, Laramie, Wyoming.—I believe the whole Rocky Mountain region should work with you, and to aid whoever will attempt to restore to its former prestige the white metal of our fathers.

* * *

From S. W. MILLER, New York City.—I feel very great interest in the rehabilitation of silver, and hope you will be able to act on the suggestion of Mr. John Thompson.

* * *

From T. R. STOCKDALE, Summit, Miss.—I had hoped that I could arrange my private business so as to be present at the National Silver Convention. I find with regret that I cannot do so, and will therefore have to forego the pleasure I anticipated. I hope you may exert a good influence on public opinion, so as to induce Congress to increase the coinage of silver.

* * *

From H. RASMUSSEN, Rawlins, Wyoming.—While our district is not a silver-producing one, it is nevertheless in sympathy with any movement which would tend to a development of any part of this Territory, or of any State in the country.

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From J. E. RICHARDS, Montana.—I wish to express my regret that I cannot be present at the Convention, inasmuch as our Legislature convenes on the 23d, calling for my presence as President of the Senate. I confidently expect beneficial results from your Convention.

From J. W. PORTER, Charlottesville, Va.—As a long and persistent student of and worker in behalf of the silver question, I am interested in the Convention. It is a sad commentary on the results of the policy we desire to reform that it has made so many too poor to act in such matters. It is true of the large masses of farmers even as to State Conventions. As our State has been foremost in demanding justice for silver, so far as past action is concerned, we wish to have a good representation. All of the three State Conventions—Democratic, Republican and Farmers'—have declared for free silver. With reasonable railroad rates our representation would be large. If the railway authorities would provide for this, as our action will benefit them as much, if not more, than any other interest, the burdens of their vast debts will be lightened, just as much as will those of the mortgaged and struggling farmers.

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From CHAS. T. LIMBERG, Leadville, Col.—I am heart and soul with the movement, and trust that something can be accomplished that will place the silver production of the West on a more profitable basis. I hope that the efforts of the Convention will be crowned with success.

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From LEWIS KAFKA, Lake City, Col.—I will do all in my power to help to the speedy recognition of the needs of the coinage of silver to the interest of the people of this country in general.

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From THOMAS S. KENNEDY, Crescent Hill, Ky.—I wish the Convention success. The burden of debt has continued to increase in this country, and the taxation arising from the amount thereof is greater than ever. All this debt has been created solely because there was not money enough in circulation for the people to pay for their necessary supplies, and lay by something out of their annual income. The depreciation of the price of agricultural products, due solely to the depreciation of silver below the per value of gold, has so reduced the income of the farmers

of this country as to bring them in debt every year. As a matter of humanity this abnormal condition of monetary affairs ought to be revolutionized, and it soon would be if the farmers clearly apprehended or appreciated the real cause of the embarrassment.

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From O. S. THOMAS, Denver, Col.—It is needless to say that I am in hearty sympathy with any movement which has for its object the remonetization of silver, and am more than willing to do any and everything possible to further the accomplishment of that great object. There is no question but that the passage of the “Bland” silver bill and the coinage of silver which has followed its enactment has saved the country from more than one panic, and in spite of the combination formed against it, has kept the volume of our circulating medium reasonably near the demands of business.

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From SENATOR JOHN H. REAGAN, of Texas.—Your letter of the 9th inst., requesting my presence at the National Silver Convention on the 26th inst., and advising me that I would be expected to speak on the question, “What effect has the demonetization of silver had in respect to Indian competition with our farmers and manufacturers,” is before me. I regret very much that circumstances which I cannot well control will deny me the pleasure of being present at that Convention, as I regard it as one of the most important assemblages which could call the representatives of the American people together. I hope for great good to come from its deliberations.

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From GEORGE W. LADD, Bangor, Me.—I regret that my business engagements will prevent my attending your Convention. Will you please allow me to say I am for the free and full coinage of silver, the same as of gold, that it may contribute by its money power to our increasing business wants. It seems to me, now is the time for Congress to settle this important question, by adopting a

truly American system of bi-metalism. It should now be done, as it is a public matter of vast importance, before our banking laws, in the interest of private capital, are again considered by them.

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From SENATOR MITCHELL, Oregon.—Mr. John H. Mitchell (of Oregon) presents his compliments to the Executive Committee of the National Silver Convention and acknowledges the receipt of an invitation to be present at the Convention to be held in the City of St. Louis, Mo., November 26, and begs to say that if it is possible to arrange his business matters so as to be absent the necessary length of time, he will take great pleasure in being present. The more especially is Mr. Mitchell desirous of doing this as he is, this morning, in receipt of a commission from the Governor of his State authorizing him to represent the State of Oregon at such Convention.

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From STEPHEN JOHNSTON, Piqua, O.—I very much regret that circumstances intervening will prevent me from being in attendance at this important Convention. The maintenance of the coinage of silver upon the same terms with gold, by the authority of the United States, I regard as indispensable to the permanent stability and prosperity of the business of our country. There are several measures which I hope may be favorably adopted by the Convention, and recommended for legislation at the approaching meeting of Congress. First, the repeal of the proviso in the Act of Congress remonetizing silver and making it a legal tender for all obligations “except where otherwise stipulated in the contract.” This proviso I regard as a most mischievous thing, and if the war against silver shall be continued by the Secretaries of the Treasury, as it has been during the preceding administrations of the Government, money lenders will take advantage of their obligations, payable in gold by the debtor. Second, the adoption of a resolution recommending the enactment of a law by Congress authorizing the Secretary of the Treasury to issue coin certificates in suitable denominations for general circulation,

representing gold and silver coin or bullion, on deposit with the Government, making the same absolute money in payment of all debts, public and private, and thus prohibit the issuing of any other kind of gold or silver certificates. Third, also make it the duty of the Secretary of the Treasury in disbursing the money of the United States in the redemption of coin certificates, or the payment of any obligation of the United States, to pay out a fair proportion of silver, as also of gold, to all creditors of the Government, impartially and without favor to any creditor. I hope that the measures adopted by the Convention may have a potent influence upon our Congress, and that hereafter its legislation shall be friendly to the ancient dollar of our united country.

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From WILLIAM MOORE, Boston, Mass.—I must ask your indulgence for my not attending from the fact that I have recently suffered a sad bereavement in the loss of my youngest son. The loss has been so great that I feel unfitted to take any interest in anything outside of my regular daily duties. I regret I cannot be with you, since I am heart and soul in the silver question, and if I can be of any service in Boston, I am yours to command.

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From HON. MARTIN MAGINISS, Helena, Mont.—I am with you heart and mind. Our Legislature meets on the 23d, and, owing to difficulties in connection with the Canvassing Board, it may be possible that I cannot get down. If not the Convention will at least have my good wishes for its perfect success.

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From WILLIAM DINNES, Grand Rapids, Mich.—I can only regret that urgent business at the time of the Convention calls me to Atlanta, Ga. Otherwise I would gladly have been heard your city raising my feeble voice on behalf of the interests of the great Northwest. May success attend you, and may the unlimited coinage of silver become a fixed fact through the efforts of those working in this direction.

From L. E. HOLDEN, Cleveland, O.—I wish to say that I am heartily in favor of this movement, and that I tender to you and to the Convention any service which I may be able to render. I have given a great deal of study to the question, and am ready to do whatever you may command, so far as this Convention is concerned.

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From H. M. HUGUNIN, Chicago *Journal of Commerce*.—We eschew politics of any partisan character. We know of no reason why silver should not be remonetized and enter into the common money circulation of the country. My idea is, that on the silver question the Convention's financial action will be sound, and that all other issues should be ignored in its deliberations.

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From A. M. HOLTER, Helena, Mont.—It would afford me much pleasure to attend the Silver Convention, but my duties as a member of the Legislature will prevent my acceptance of the invitation.

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From HOMER MEERELL, Rawlins, Wyo.—I regret very much that the time intervening will not permit the arranging of my business in such a way as to be present. Anticipating the success of the Convention, I wish to congratulate the Executive Committee, to whom will be due the credit.

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From JACOB FILLIUS, Georgetown, Col.—The pressure only of professional engagements, which will not permit of delay or postponement, prevents my attendance in common with my fellow-citizens. I am deeply interested in the Convention and its results, and recognize the truly patriotic motives of its projectures. I have no doubt it will inaugurate a movement which will stop only when silver is placed where it properly belongs.

From J. M. FREEMAN, Greeley, Col.—I am in hearty sympathy with the movement, and believe that an intelligent discussion of the question will elicit much valuable information which, if properly acted upon, will be promotive of great benefit, not only to the South and West, but to the United States generally.

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From JAMES LYNCH, Elizabethtown, N. M.—I regret to say my business relations are such as to prevent my attending the Convention, but I will state that I am in favor of any legislation that will be for the benefit of the common industries.

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From VICTOR M. ROSE, Columbia, Texas.—My heart is in the work for the complete rehabilitation of silver, and the first step in that direction must be to educate the people. I have been in the fight for silver for fifteen years, and if I can serve the common interest in any way I will be pleased to do so.

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From E. E. EWING, Rising Sun, Md.—I presume the Convention will prepare blanks to send out for signatures, asking Congress to remonetize silver. If such blanks are provided by the Convention, send me several and I will see to their circulation. I think that the silver demonetization was one of the greatest outrages ever committed against the producing classes of our country. St. John offered an elaborate compromise at the Bankers' Convention, held at Kansas City. Will the silver men accept it? They should not do so, but should insist on everything they demand. If the Grangers, Alliances and Wheels, and all agricultural associations co-operate, and they will if the Convention takes the proper measures to enlist their aid, I think such a crushing pressure will be brought to bear upon Congress that we will secure the complete remonetization of silver at the coming session. England's ability to buy our silver for the last fifteen years at her own price, and fix the price of our wheat, has pretty nearly ruined our agricultural interests.

From HON. GEORGE D. WISE, Richmond, Va.—It would give me great pleasure to attend the sittings of the Convention, but my engagements are such as to render it impossible. I am in hearty sympathy with the objects proposed to be accomplished, and sincerely hope that the deliberations of the Convention will produce good results. The rehabilitation of silver is a question of the highest importance, and should engage the earnest and thoughtful attention of our leading statesmen. I feel confident that the discussions of your Convention will at least awaken an interest in the subject.

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From RICHARD MANSFIELD WHITE, Santa Fe, N. M.—The silver question is one of vital importance to this Territory and to the Southwest, and I am heartily in accord with any movement which will continue it as a money, or further the silver interests.

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From ACTING-GOVERNOR B. M. THOMAS of New Mexico.—I thank you for your considerations in this matter. New Mexico is entitled to participation in the discussion of the silver question, as she will certainly continue to participate in the production of the metal.

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From COL. JOHN ARKINS, Editor *Denver News*.—I hope the Convention will be in every way successful, and you may be assured that as far as this paper is concerned it will lend you a willing and a helping hand.

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From THOMAS J. BURKE, Denver, Col.—I am free to say that every person in this region is enlisted to co-operate as far as practicable with the National Silver Convention. We are alive to the necessity of early and earnest action in furthering and promoting the interests of silver, and hope that the policy adopted by the Convention will be the means of showing to the world that silver should be hand in hand with gold, and necessarily be a standard of value.

From HUGH BUTLER, Denver, Col.—It is exceedingly doubtful whether I can leave here to take part in the proceedings of the Convention. As a citizen of this State, a State so largely interested in the production of silver, and consequently in all measures which look to its thorough remonetization, I am greatly interested in the work of your Convention, and have no doubt it will do much good.

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From H. C. BALDWIN, Naugatuck, Conn.—I exceedingly regret that professional engagements are of such a nature as to prevent my attending the Convention. The situation is indeed grave, and unless Congress remonetizes silver to its ancient place as a full monetary metal, or does what it is less likely to do—exercise the power to create a legal-tender paper money representative—the nation will be swallowed up in debt, and the only really busy hammer will be that of the auctioneer selling off the property of unfortunate debtors. A Senate composed of millionaires shuts its eyes to the situation, and the British financiers, through the agency of the national banks, manage to select enough of their friends to the lower house to prevent a full discussion on this subject. Misery in any country increases in the ratio of debt increase.

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From SENATOR JAS. B. BECK, Kentucky.—As I wrote you, my doctors have prohibited me from taking any more part in public affairs than I am compelled to, and I have advised the Governor of Kentucky that I would be unable to attend the Convention. I regret this very much, but my restoration to health, I am advised, is dependent upon my keeping as free from mental or physical effort as possible. I will, therefore, be unable to prepare an article such as ought to be prepared on the important questions under consideration. I shall watch the proceedings of the Convention with a lively interest, and hope to be able during the next session to take part in such debates as may grow out of questions connected with silver coinage.

From DR. A. C. CHURCHILL, Nevada, Mo.—The silver question has been growing rapidly in importance of late, until now it is scarcely second to any other question before the American people.

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From ALEX. ROBERT CHISOLM, New York.—I congratulate you upon having succeeded in calling this important Convention. The United States being the largest producer of both the precious metals, her citizens interested in this production should long since have taken action for educating the people up to the realization of how much the country owes, especially that west of the Mississippi River, to this great industry. The five great trunk lines of railroads owe their existence largely to this industry.

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From HON. F. H. CARTER, Helena, Mont.—I thank you sincerely for the courtesy of the invitation extended to attend the sessions of the Silver Convention, and regret exceedingly that my official duties in Washington will prevent me from participating. I wish the Convention every success imaginable in the course of its deliberations.

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From D. F. DAY, Ouray, Col.—Every sane man, intelligent woman, and well-bred child in Colorado will lend every aid in their power to add to the importance and aims of the National Silver Convention. We are earnestly at work, and there will be no let up, until free and unlimited coinage is ours.

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From JOHN M. DUMONT, Idaho Springs, Col. I hope the Convention will, after careful consideration, place before the world the silver interests as affecting mankind.

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From HENRY CAREY BAIRD, Philadelphia, Penn.—It is with unfeigned regret that I find myself unable to attend. It would give me the most lively satisfaction to be one of

that body of earnest men who are to consummate the triumph of silver, and with that consummation to bring victory to the people over the heartless Shylocks, after so many long years, nay so many centuries of oppression. Permit me to express the hope that the Convention will not, for one moment, entertain any proposition short of the simple one of placing silver on the same footing as gold—free and unlimited coinage alone should be the imperative demand. Above and beyond all things, let the Convention refuse to be beguiled into any snake-like scheme, whereby the Secretary of the Treasury shall be permitted to have any discretion whatever in the premises. Let the delegates, one and all, bear in mind that since the death of Lincoln, every President and every Secretary of the Treasury has been the enemy of the greenback or the silver dollar, or of both; and that there is no evidence whatever that the present administration is to be trusted any further than its predecessors. Pardon me if I further ask that the Convention give some consideration to the important question of the great need of the people of an abundant and thoroughly well distributed supply of “minor coin” and “fractional silver coin.” I wish the Convention the most thorough and marked success.

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From ALVA ADAMS, Pueblo, Col.—You can depend upon the citizens of this State to give you their sympathy and co-operation in any movement looking to the promotion of the silver interest. From the tenor of resolutions before a recent State Convention in Massachusetts, it looks as if it would be necessary for the West and South to form an alliance for the defense of silver and other interests in which we have mutual interests.

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From REGIS CHAUVENET, Golden, Col.—I have been much amused of late by the perusal of articles published at or about the time of the passing of the present law. These were, if not by persons of note in the financial world, at least in journals with a reputation for their financial articles. I may quote the London *Times*, the *John Bull*,

and the *Bankers' Magazine* (the latter title I may have slightly misquoted), in England, and "too many to mention" in this country. As a broad statement, it may be said that everything these journals said would happen has not happened, and everything they said could not be has been. Now, without attempting (for it is too much out of my line) to meet any particular argument in the case, I suggest that collections might be made of these articles. It might strike the ordinary mind that the predictions of these same journals as to the dreadful results of further freedom for silver may be as little entitled to our confidence as were those of ten years ago.

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From GEO. N. SOUTHWICK, Editor *Journal*, Albany, N. Y.—The *Journal* sympathizes heartily with the movement in favor of bringing about the general remonetization of silver and the renewal of its coinage. It fully realizes the important bearing of the silver question on the agricultural and all other debtor classes at the present juncture. The feeling toward silver in this State is decidedly friendly, except within a radius of half a mile of Wall Street. The sound views of United States Senators Evarts and Miller have had much to do with inculcating sound financial views in the New York public. If I can assist you in any way do not hesitate to ask it.

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From WM. A. AKERS, Phillipsburg, Mont.—I am most keenly alive to the importance of the steps to be taken by the Convention, as upon the fruit of its labor depends the prosperity not only of the mining region, but of the entire West. In your efforts to secure a proper recognition of the rights of the white metal, and to defeat the machinations of its enemies, you may be certain of the hearty sympathy and earnest co-operation of every Western man, and even should nothing tangible be accomplished in the way of securing the needed legislation, the Convention will have worked good in calling attention to the glaring wrongs of the existing state of affairs. If you can suggest any way in which I can serve you, you have only to command.

From W. W. WEIGLEY, Philadelphia, Penn.—I have delayed answering, hoping I could send an affirmative response; but my professional engagements are such that I cannot leave here, and I can only express my great regret that I may not participate in the deliberations of the Convention. Whatever the outcome may be, I sincerely hope the Convention will not stop short of a demand for the restoration of silver to its legitimate place, side by side with gold, upon the vantage ground of full and unlimited coinage, and thus right the great wrong inaugurated by the pernicious legislation of Congress in 1873-4. To stand on a level with gold, silver coinage must be untrammelled by conditions. Hostile statute laws, not natural causes, have stripped silver of its money prerogatives, created so wide a difference in its value as bullion and its value as coin, made it a mercantile commodity, and turned the Government into a bullion trader. The great disparity in values will disappear only when congressional tinkerers at finance cease to interfere with the free coinage and legal tender functions of either metal. All that is needed is to open the mints of the Government to all comers with gold and silver bullion, and to enact by law that standard silver dollars shall be a full legal tender for all debts, public and private, the same as gold. Put silver coinage exactly where it was prior to the act of February 12, 1873, repealing all legislation affecting the subject, and this unfortunate divergence in values will gradually disappear. Of course, I assume that the principles of bi-metalism will ultimately prevail as against the heresy of single standard values. That goes without saying, and it is only the gold monometalist, who is a mono-maniac, whether through ignorance, prejudice or interest, who will dispute it.

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From HENRY A. BIGELOW, Vulture, Ariz.—In reply I can say that no portion of Uncle Sam's domain feels a more lively interest in this subject than Arizona. This Territory was settled by miners, and in spite of the Apaches it has arrived at the fifth number on the list of the producers of precious metals in the United States. Silver mining is the most important of all the industries in the Territory, and it is to-day in a languishing condition, owing

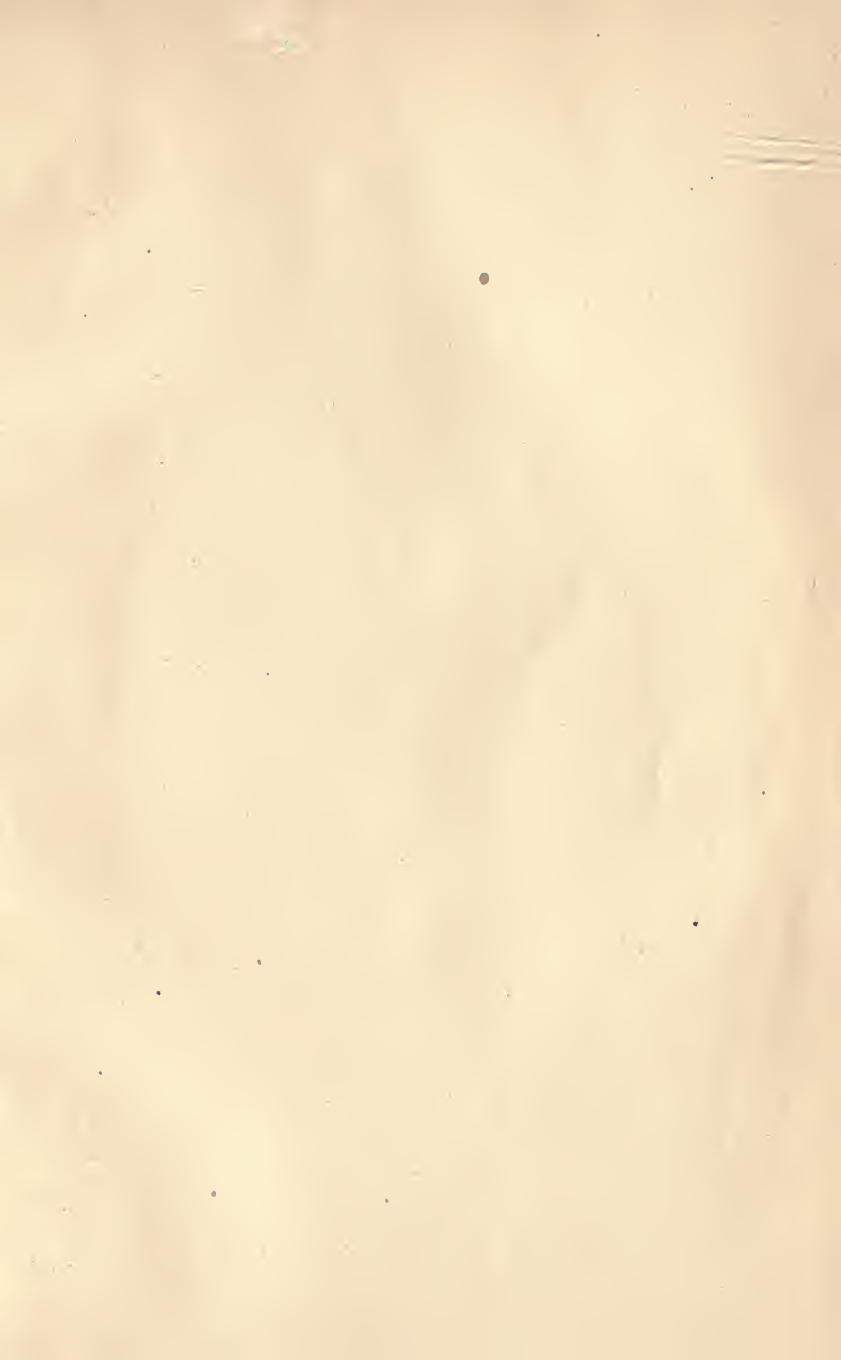
to the uncertain value of the product. Many of our most productive mines are shut down, and others only working half a force. The Convention can rely on the heartiest wishes of all Arizonians for its success in arriving at such conclusions, and taking such action as may bring about the free coinage of silver, and to persuade our Government to take that stand for the United States, as the greatest producer of silver in the world, which would naturally force a recognition of her power in the premises, instead of submitting to the dictation of the third and fourth-rate European Governments. It seems reasonable to suppose that if all the mineral-producing States and Territories are in cordial unison, the desired points can be carried. If Arizona and New Mexico could be admitted as States, our side would count on the question with solid votes.

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From WM. BRINDLE, Gloucester, N. J.—I am proud of the honor of being ranked among those who demand the free coinage of silver bullion into unlimited legal-tender dollars, as a natural constitutional right: It would give me great pleasure to attend the Convention, but some very important questions will come before the Council of this city on the evening of the 21st inst. If they are disposed of on that evening, I may be able to leave here in time for the Convention. The newspapers, under the control of those who discount commercial paper, erroneously assert that the producers and holders of silver bullion compel Congress to purchase it for coinage purposes. No assertion could be more stupid, erroneous and absurd. I hope that the Silver Convention will unanimously assert that no constitutional authority has been given to Congress to purchase silver bullion for coinage purposes; or to prohibit the free coinage of silver bullion into legal-tender dollars; or to limit their volume in circulation; or to make them a limited legal tender; or to make the alloyed or standard weight of the silver dollar. The only way to equalize the value of money is to make them equal legal tenders; and as no coin or other material can be money until made by law, legal tenders, the constitutional or sworn duty of Congress is well defined. No persons but those who are

totally ignorant of the simple subject of what makes money, and regulates the value thereof, will support those who discount commercial paper in their efforts to contract the money of the country, in order to increase the volume of commercial paper to be discounted. Every business man engaged in wealth-producing is deeply interested in opposing contraction, and in obtaining a sufficient volume of money in circulation, and a constant and steady expansion of it, as the business of the country increases, in order to decrease the volume of commercial paper, and thus reduce the cost of wealth producing. Every advocate of free coinage is an expansionist; and every one opposed to it is a contractionist. There are only two parties in this contest. There cannot be any doubt about the result of the contest, provided the expansionists do not agree to any compromise, or adopt half-way measures, but boldly demand their rights, and show the courage of their convictions. The people will not follow timid or cowardly leaders. The contractionists are thoroughly organized and desperately selfish. They will make a determined contest, but they are few in numbers as compared with the expansionists, and therefore the latter cannot be defeated, if they are true to their interests. Let the friends of free coinage and expansion move boldly on the outstretched position of the contraction party, and face the contest along the entire line, and victory will soon perch upon the banner of the expansion party. Force the issue and compel every citizen to avow his principles, and join one side or the other. There cannot be any neutrality permitted in such a contest. Those who are not with the free coinage party are against it; and let them be so counted.











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